

PEOPLE  
Hall 'Outraged'

Ronald Reagan and his wife, Nancy, were in the White House on Tuesday, Feb. 14, 1985, for the 50th anniversary of the signing of the Emancipation Proclamation. The President and Mrs. Reagan were joined by Vice President George Bush and his wife, Barbara, and other members of the administration. The ceremony was held in the East Room of the White House, and featured a reading of the Emancipation Proclamation by the President. The event was also attended by members of Congress and other dignitaries.

The Global Newspaper  
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# New Party Emerges As Chief Opposition To Chun Regime

By Clyde Haberman  
New York Times Service  
SEOUL — A new party of anti-government politicians picked up surprisingly strong support and emerged Wednesday from general elections as South Korea's leading opposition group.

The ruling Democratic Justice Party of President Chun Doo Hwan retained its majority in the National Assembly. But the most significant result of Tuesday's legislative elections was the success of the New Korea Democratic Party, formed by opposition figures, who only three months ago were banned from political life by Mr. Chun.

[With final results in, Korean news organizations and the headquarters of various parties said the Democratic Justice Party had won 87 seats in 92, two-seat constituencies, and the New Korean Democratic Party took 50 seats. The Associated Press reported from Seoul.

[With 92 other seats in the 276-member assembly divided on a proportional basis, the ruling party took another 61, giving it a 148-seat total. It won 152 in the last election in 1981. The new opposition gained 17 more in the proportional distribution for a total of 67. The remaining seats were shared by splinter parties and independent candidates.]

Opposition leaders were jubilant over their surge. They said Wednesday that they would try to form a broad legislative coalition against Mr. Chun's government.

Kim Dae Jung, South Korea's leading dissident politician, said that although he is barred from politics he would seek a merger of rival opposition groups into a unified anti-government camp.

They would operate, he said, under the banner of the New Korea Democratic Party.

The new opposition party's showing created a possibility that the National Assembly, a fundamentally weak legislature, could become a more vigorous political forum.

The election also acquired added interest after the much-heralded return of Kim Dae Jung to Seoul.

Mr. Kim, who has been confined to his house since returning, was not allowed to vote because he is under a suspended sentence for a conviction on sedition charges. Another leading opposition figure, Kim Young Sam, also declined to vote, although he was permitted to do so.

[After the results were announced, Kim Dae Jung hailed the opposition party's success as "a victory for democratic forces." Reuters reported Wednesday from Seoul. "The election clearly reflects the aspirations of our people for democracy," he said.]

Nothing in the voting results significantly affects Mr. Chun's grip on power, which is total and is not due to end until 1988. However, it was the only voter test of any kind before 1988, and the South Korean president hoped it would demonstrate basic support for his leadership since he seized control in a military coup five years ago.

The new opposition party made an especially strong showing in the big cities of Seoul and Pusan, in many cases running ahead of Democratic Justice Party candidates who had finished first in the last election. In one of the more closely watched races, a powerful ruling party official, Lee Jong chun, ran barely ahead of the new party's chairman, Lee Min Woo, in a central Seoul district.

The new party drew its strength largely at the expense of a more established, and many people believe far more tame, opposition group called the Democratic Korea Party.

It was almost impossible for the governing party to lose under the electoral rules. Two assembly members were selected from each of 92 districts, for a total of 184 seats. With the opposition split, it was unlikely that the Democratic Justice candidate in each district would finish lower than second.

Mr. Chun and his advisers had created the system to all but guarantee that they would command about 55 percent, or 152, of the legislative seats.



Members of South Korea's opposition New Korea Democratic Party in Seoul celebrated their strong showing in Tuesday's national election. Lee Min Woo, center, president of the party, joins in the merriment, a traditional cheer.

# Substance of New Arab Peace Moves Clouded by Host of Unknown Factors

By John Kifner  
New York Times Service  
AMMAN, Jordan — A series of Arab diplomatic moves aimed at bolstering the Jordanian-Egyptian peace initiative has been under way Monday between King Hussein and Yasser Arafat, the Palestinian leader.

The moves coincide with an appeal by King Fahd of Saudi Arabia for the United States to resume peace efforts in the Middle East.

The maneuvering also came as President Hosni Mubarak of Egypt is preparing to visit the United States early next month.

The key to all these moves is the tenuous relationship worked out between Mr. Arafat and King Hussein last fall when Mr. Arafat was permitted to hold a meeting of his Palestine National Council here to affirm his leadership in the Palestine Liberation Organization.

Whether Mr. Arafat committed himself at that time to Hussein's present negotiating posture is not known. No details of their agreement have been made public.

Two critical points are at issue. The first is acceptance of Resolution 242 of the United Nations Security Council as the basis for negotiations. The resolution calls on Israel to return Arab lands seized in the 1967 war in return for recognition by the Arabs of Israel's sovereignty and borders.

Mr. Hussein, in addressing the Palestine National Council in November, surprised the assembly by calling for a decrease in polemics and an acceptance of the resolution.

The UN document is opposed by the Palestinians because it treats them as refugees and does not call for establishment of a Palestinian state.

The second key issue is the composition of a negotiating team. The Palestinians would prefer either a pan-Arab delegation or a separate Palestinian delegation. Jordan wants a Jordanian team with Palestinian representation, contending that this would be more acceptable to the United States.

In the long run, the maneuvering looks forward to the proposal by Jordan for UN-sponsored talks in which Egypt would be brought back into the Arab fold as a counterweight to Syria and its more radical allies.

Even if the Arabs were to reconcile their internal differences, the United States, burned by its experience in Lebanon, appears hesitant to get involved again. Moreover, Israel has displayed less inclination for negotiations.

It was against this background, and amid reports that a PLO executive committee meeting in Tunis had decided to keep its position hard, that Hussein and Mr. Arafat met.

The word from Jordan was that the king was going to try to pin down Mr. Arafat and force him to

(Continued on Page 2, Col. 2)

# Vietnamese Encircling Cambodian Strongholds

The Associated Press  
ARANYAPRATHET, Thailand — Vietnamese troops reported to total more than 10,000 had advanced Wednesday to within six kilometers (3.5 miles) of Khmer Rouge guerrilla strongholds in mountainous western Cambodia, Thai military officers said.

An estimated 2,000 Vietnamese troops were moving on Phnom Malai from three directions in an attempt to pin the Communist guerrillas into a wedge against the border with Thailand, the officers said. They added that more than 10,000 troops from the 7th, 8th and 59th divisions now surrounded the strongholds of Phnom Malai and Khao Din.

According to the Thai officers, the guerrillas began a 12-hour counterattack Tuesday evening. It followed an unusually fierce artillery and mortar barrage by the Vietnamese that cleared some Khmer Rouge outposts and forced the guerrillas to disperse onto nearby hills. At least 8,000 civilians were reported to have fled into Thailand to escape the fighting.

Casualty reports were not available.

Officers of the Thai eastern border field force, based at the frontier town of Aranyaprathet, estimated that 4,000 guerrillas were defending Phnom Malai, a complex of bases the Khmer Rouge have held since 1981 and successfully defended against previous offensives by the Vietnamese.

The Phnom Malai area is about 32 kilometers south of Aranyaprathet. The Vietnamese objective is to seal off the Phnom Malai headquarters, said a military source, who asked not to be named.

The Vietnamese invaded Cambodia in late 1978. During their three-month offensive this dry season, they have captured camps of another guerrilla group, the Khmer People's National Liberation Front. In the past month, the Vietnamese have started attacking the Khmer Rouge, a more formidable opponent fielding as many as 30,000 veteran fighters who are protected by heavily mined, jungle mountains.

An officer of the eastern field force said Vietnamese artillery shells wounded some Thai villagers late Tuesday when the rounds landed on Khao Sarapee, southwest of Aranyaprathet.

A spokesman for Thailand's Foreign Ministry, Prachayadevi Tewakul, said Wednesday his country was preparing a note to the secretary-general of the United Nations to protest the Vietnamese shelling.

Beijing Appeals to Moscow

China appealed Wednesday to the Soviet Union to stop supporting Vietnamese aggression, especially in Cambodia, where Vietnam's troops pose a "grave threat" to Thailand, United Press International reported from Beijing.

A commentary by the press agency Xinhua described as "entirely fair and reasonable" a demand this week by members of the non-Communist Association of Southeast Asian Nations that Moscow cease backing Hanoi's military occupation of Cambodia, where it has 180,000 troops.

The six nations of ASEAN are Brunei, Thailand, Malaysia, Singapore, the Philippines and Indonesia.

The commentary said Vietnamese troops in Cambodia had intruded repeatedly over the past six years into Thai territory and posed a "grave threat" to Thailand.

"Meanwhile, Vietnamese troops deployed along the Chinese border carried out reckless armed provocations against Chinese border areas and aggravated tension in the Chinese-Vietnamese border regions," Xinhua said.

# U.S. Upset Allies With Secret Plan To Place N-Arms On Their Soil

By Leslie H. Gelb  
New York Times Service  
WASHINGTON — The United States has contingency plans to deploy nuclear weapons in Canada, Iceland, Bermuda and Puerto Rico, according to Reagan administration officials and a government document outlining the plans.

Recent press reports abroad that such plans exist have caused embarrassment in Washington because U.S. officials had not informed the governments involved. The existence of the plans, some of which have been in effect as long as a decade, was confirmed to the foreign governments only after the reports appeared, Reagan administration officials said.

Officials stressed in response to inquiries that these were "contingency" plans, that Mr. Reagan had not delegated authority in advance to the Pentagon to deploy the weapons and that, in any event, actual deployment would require approval by the other governments.

Nonetheless, the disclosures in recent weeks in Canada, Iceland, Bermuda and Puerto Rico prompted wide-ranging public debate and criticism, particularly in Canada and Iceland.

Administration officials expressed concern that further disclosures would contribute to what they called a growing "nuclear allergy" around the world — recently evidenced in New Zealand and Western Europe — to any kind of involvement with nuclear weapons.

Under the contingency plans, the weapons that would be deployed in the four places are nuclear depth charges called B-57 bombs. Each has about 10 kilotons of explosive power, or the equivalent of 10,000 tons of TNT, slightly less than the Hiroshima bomb.

The bombs would be dropped by P-3 Orion planes or other maritime aircraft to destroy submarines or to block underwater passages for submarines. P-3s are present virtually all year in all four areas for anti-submarine warfare, but technically only on a temporary-duty basis.

The contingency plans were first brought to light in Canada, Iceland, Bermuda and Puerto Rico when the authorities there were given copies of a document classified top secret and dated 1975 that dealt with the possible deployments. The officials were told that the plans were still in effect.

The plans were distributed by William M. Arkin, a nuclear weapons expert at the Washington-based Institute for Policy Studies.

A 1975 document entitled "Nuclear Weapons Deployment Plan" was made available by Mr. Arkin to The New York Times. The document appeared to be the same as the one distributed abroad, according to Reagan administration officials. The officials expressed strong displeasure about Mr. Arkin's activities and raised the question whether he may have violated laws prohibiting disclosure of such information.

The contingency plans would be put into effect in emergency situations, according to the document, but it does not spell out what kind of emergency would trigger a request for deployment.

Contingency plans are drawn up under the nuclear plan drafted annually by the Joint Chiefs of Staff. The nuclear plan is "coordinated with" — meaning shown to but not approved by — the State Department. It is then sent by the secretary of defense to the president for approval. One part authorizes actual deployments around the world; a second part establishes contingency deployments.

These were once called "conditional" deployments, in which, once the prescribed conditions were met, the military could contact the government involved and, with its approval, deploy the weapons.

But administration officials said the authority was no longer needed in advance for the military to approach the host government. White House authorization would have to be sought by the military if and when an emergency arose.

Officials said that when Canada asked recently if the plans were still in force, a senior Reagan administration official told them that they were not. With that assurance, Robert C. Coates, then the Canadian defense minister, stated in the House of Commons on Jan. 21 that "there are no such plans." Mr. Coates resigned from the Canadian cabinet this week.

With regard to Puerto Rico, a spokeswoman under U.S. protection, all nations with nuclear weapons, including the United States, (Continued on Page 3, Col. 1)

# Galbraith Derides U.S. Career Diplomats as Timid

By John Vinocur  
New York Times Service  
PARIS — When the U.S. ambassador, Evan G. Galbraith, who has worn his conservative ideology in Socialist France like a top hat and striped pants, leaves his post in July, he will take back home with him about as much discomfort with his own State Department as with French industrial nationalizations or pipeline deals with the Soviet Union.

After announcing this week that he intended to return to the United States, no successor has been named — the 56-year-old investment banker from Connecticut paused to look back over his four years in Paris.

There was mention of diplomatic goals set and achieved. But what he mainly had to say contained an unusual degree of scorn for the State Department and Foreign Service career officials.

"I have a feeling," said Mr. Galbraith, who was a political appointee, and not a career diplomat, "that the State Department desperately needs to be vigorously purged. It is too big a role to play in the formulation of foreign policy, and foreign policy is too important to be left up to Foreign Service officers."

Then, plunging into a long-running dispute between State Department professionals and White House political operatives, he contended that the United States was full of competent people — doctors, lawyers and businessmen — who, if appointed as ambassadors, would serve with more vigor and determination than Foreign Service professionals.

"It is like the line about war being too important to leave up to the generals," Mr. Galbraith continued. "Well, the Foreign Service officer is like a military person. To move up, he has to avoid trouble. He learns in time to have a horror of confrontation."

"The result is that the dominant operations are make-work 'cover' operations that are not only useless but mislead people. It's just waves sloshing about without anybody really wanting to do something. There's something about the Foreign Service that takes the guts out of people. The tendency is to avoid confronting an issue."

At the time of the U.S. invasion of Grenada in October 1983, Mr. Galbraith said, as an example, "there was an immediate tendency among Foreign Service officers not to do anything."

"In truth," he said, "it was feared by the Foreign Service people that the U.S. had not done the right thing."

The day of the invasion, French television officials proposed that the ambassador debate a leading leftist editor on an evening news program.

"I was advised by the Foreign Service types not to go on," Mr. Galbraith said. In retrospect, he looked back at his appearance as an unqualified success. "I was at the Elysee, doing something the next day" and President Francois Mitterrand's special adviser "came over and said, 'Hat's off.'"

Now, according to Mr. Galbraith, a number of Foreign Service people persist in regarding President Ronald Reagan's proposal for a space-based defense against nuclear weapons, the Strategic Defense Initiative, as a bargaining tool for nuclear arms talks with Moscow — and this despite White House insistence that it is not.

"But there is a continual effort in the other direction," he said, "and if it were left up to the State Department, that's the way things would come out."

Mr. Galbraith described the majority of Foreign Service people as "liberals," most of whom, he assumes, voted for Walter F. Mondale in the presidential election last fall.

"Most of them are conscientious guys who carry out policy," he asserted. "But there's a difference between carrying it out mechanically, ritualistically, and really pushing the president's policies. There's all the difference in the world."

This, he insisted, is the best argument he can think of in favor of placing political appointees in important ambassadorial posts.

"I feel ambassadors should be out there running an offensive game," Mr. Galbraith said. "The real role in a major embassy is to be an effective spokesman for the president's views."

"I got along well with the government here, people who know I don't approve of Socialism," he said. "If there were complaints about me saying negative things about the Communists while they still were in the government, well, I

(Continued on Page 2, Col. 6)



Evan G. Galbraith

# T-Shirts, Song, Book, Comics Exploit N.Y.'s 'Subway Vigilante'

By Elizabeth Mehren  
Los Angeles Times Service  
NEW YORK — Bernhard H. Goetz, who has been nicknamed the "subway vigilante" and is by all accounts the most reluctant of celebrities, has become the object of an overnight industry.

Even before the electronics engineer, 37, was indicted Jan. 25 on charges of owning illegal weapons, "Bernie Goetz" had become a household name. "Acquitt Bernhard Goetz" or "Goetz Four Crooks Zero" were appearing in Manhattan specialty shops.

Characters inspired by Mr. Goetz's shooting Dec. 22 of four youths aboard a New York subway car soon appeared in the cartoon strips Doonesbury and Bloom County. A new musical videotape, "The Subway Vigilante," which is set to a rock rhythm, offered this advice:

"He's the subway vigilante, he's tired of being bad. Don't bother with him, brother, he'll get you if you're bad."

His lawyer, Joseph Kerner, said Mr. Goetz was stunned that "anyone would want to buy a T-shirt with his name or a representation of him upon it."

But the lawyer also said Mr. Goetz has been "bombarded by your movie producers," as well as writers, magazines and television shows.

author, Alvin Frost, 38, was asked to write the first "instant book" on Mr. Goetz.

The "one hundred and twenty-eight skinny little pages," as its publisher, Bill Katz, described the book, were completed just six hours after Mr. Goetz's indictment. Within a week, nearly a million copies of the \$3.95 paperback volume were in bookstores from Manhattan to Melbourne. The title of the book is "Bernhard Goetz: Vigilante or Victim?"

The book appears to have become part of the public debate over whether he is a saint or a sociopath.

"This thing is selling in a really strange and bizarre manner," Mr. Katz said. "Those people who have it on sale can't keep it in stock and others won't take it" because they say it's "instant, exploitative."

"I had an order from England on Tuesday. We've had orders from Hawaii, where I'd say the biggest problem with the subway is finding it. We got a call from the University of Chicago, wanting 100 books for use in their criminology courses or something."

Mr. Katz, head of the Toronto-based Little Ones Books, usually prints religiously oriented children's books. His largest selling book to date was a workbook with parables from the Bible called

"How to Protect Your Child From Sexual Abuse."

Mr. Frost did not receive an advance payment for his efforts.

"We looked him up in a hotel room," Mr. Katz said, "threw him raw meat every few hours and told him that if he was a good boy and kept typing, we'd let him out."

But, said Mr. Katz, "who knows, he may own an island in the South Pacific by the end of the week."

Mr. Frost was on his way to Hollywood recently, reportedly to discuss the possibility of a television movie about Mr. Goetz.

The cover of New York magazine trumpets a piece called "My Neighbor, Bernie Goetz," by a writer, Myra Friedman, and a New York literary agent, Jay Acton, said he had received "an offer of six figures" for an "extended version" of the article, to be told in book form.

Ms. Friedman is the author of a 1973 biography of Janis Joplin called "Buried Alive."

At Avon Books, the executive editor, Roger Straus, enlisted a Berkeley, California, psychologist, Lillian Rubin, to produce a psychoanalytical approach to the Goetz story.

Canty, has filed a \$50-million lawsuit against Mr. Goetz, who confessed to the shootings but said the youths had surrounded him on the subway and demanded money. Another youth, Darrel Casey, remains hospitalized, paralyzed from the waist down.

Mr. Kerner said his client had issued a "blanket order" to refuse book offers. Still, said the lawyer, "a lot" of inquiries on the subject had been received.

In a hotel in Toronto last month, surrounded by news clips, and advertising copyright and first-time

I JUST WANT TO BE LEFT ALONE!  
I JUST WANT TO BE LEFT ALONE!  
SO SAID THE RELUCTANT SUBWAY HERO.

Bernhard H. Goetz, right, and a version of his subway story told by Garry Trudeau in his cartoon strip, "Doonesbury."

# Soviet Says U.S. Project Jeopardizes Arms Talks

United Press International  
MOSCOW — The Soviet Union has accused President Ronald Reagan of pursuing his space defense program despite possible jeopardy to the Soviet-American talks scheduled for next month.

Tass on Tuesday repeated Soviet demands that space weapons be tied directly to the forthcoming talks on intermediate and strategic nuclear arms.

The press agency said Mr. Reagan, in an interview with The New York Times, stated categorically "that research in the sphere of the so-called Strategic Defense Initiative will be continued in the United States even if the two powers should agree to limit their nuclear weapons."

Plans to militarize space, Tass said, was an effort in futility.

"Neither the question of strategic arms, nor the question of medium-range nuclear arms can be considered without the question of preventing the arms race in space," Tass said. "No talks can lead to success without this."

In the interview, Mr. Reagan said the space initiative would not be used as a bargaining point in the upcoming talks and research would continue regardless of any agreement reached in Geneva.

Tass said: "This shows that the White House is so far not ready to follow at the coming talks the agreement reached at the meeting between Foreign Minister Andrei A. Gromyko and Secretary of State George P. Shultz and 'to adhere to it in all its parts.'"

United Front Urged

A senior U.S. official said Wednesday the NATO allies recognized the need to present a united front to the Soviet Union over Mr. Reagan's space-based missile defense. Reuters reported from Brussels.

The assistant secretary of state for European affairs, Richard R. Burt, said Wednesday the NATO allies recognized the need to present a united front on Mr. Reagan's missile defense. Reuters reported from Brussels.

United Front Planned

The assistant secretary of state for European affairs, Richard R. Burt, said Wednesday the NATO allies recognized the need to present a united front on Mr. Reagan's missile defense. Reuters reported from Brussels.

INSIDE

Human rights improvements in Latin America were cited by the State Department in an annual report. Page 3.

New Zealand is reported to have stopped receiving top-level U.S. intelligence on the Soviet Union. Page 4.

The Soviet Embassy in Washington is to move to a prime espionage site. Page 5.

U.S. retail sales managed an increase of 0.7 percent in January. Page 9.

China plans to permit credit sales for the first time since 1949. Page 9.

TOMORROW

New Jersey has apparently decided to stop playing second banana to the Big Apple, Mary Blume reports. In Weekend.







24/2/85

## U.S. Report on Human Rights Cites Latin American Progress

By John M. Goshko

WASHINGTON — Latin America showed "a very strong and impressive trend" toward democracy and human rights improvements during 1984 but elsewhere there was little change from the mixed picture of past years, the State Department said Wednesday in its annual report on international human rights.

"Continued improvement in the Western Hemisphere was the only significant overall trend," said Elliott Abrams, assistant secretary of state for human rights.

The report to Congress on 164 countries, which has been made for nine years, frequently causes controversy about whether it is too harsh or too lenient in its treatment of individual countries. That was underscored Wednesday when Mr. Abrams was asked whether he agreed with the report's finding of improvements in South Korea in light of events there this month.

He replied that, "if we were doing the reports today," the department would have paid major attention to Tuesday's parliamentary elections in which a new party opposed to President Chun Doo Hwan's military government made major gains.

Mr. Abrams added that the report would have also cited the scuffle at the Seoul airport last week during the return of a dissident leader, Kim Dae Jung. Several prominent Americans accompanying Mr. Kim, including two members of Congress, said they were beaten, kicked and knocked down.

"In relative terms, the importance of the election was infinitely greater than the scuffle at the airport which, in my view, was a trivial event," Mr. Abrams said.

Secretary of State George P. Shultz said Monday that the airport incident was due to a "misunderstanding" and argued that it

should not be allowed to distract attention from "the main point" of South Korea's progress toward "a more open, a more democratic society."

In terms of the global human rights situation, Mr. Abrams said that Latin America showed "a very strong and impressive trend" toward democracy and human rights improvements during 1984. But he said that elsewhere there was little change.

He cited the recent return to civilian government in Brazil, the impending inauguration next month of an elected civilian president in Uruguay, the free elections in Grenada, the promise of elections for a civilian government in Guatemala this year "and a really significant downturn in death squad killings and disappearances" in El Salvador.

He cited Chile as "the greatest disappointment" in the hemisphere because the military government there has halted "the move toward a return to democratic government" and increased "the degree of political repression."

Mr. Abrams also expressed concern about the continued instabilities stemming from the civil war in El Salvador, and he acknowledged that the level of violence in Guatemala remained high.

Nevertheless, he said, "in the last five years, nine countries of the hemisphere have moved to democracy from dictatorship and zero countries have gone from democracy to dictatorship."

The human rights reports invariably cause controversy about whether the findings, compiled by U.S. embassies around the world, are too harsh or too lenient in respect to individual countries. Critics of the Reagan administration have also said that military-dominated countries allied to the United States are given relatively easy treatment, while the Soviet Union and other East bloc countries are described in tough terms.

That was denied by Mr. Abrams, who insisted that each report was made in an evenhanded manner based on the best available evidence. He added:

"This institutionalization has the double benefit of allowing the United States to conduct ongoing conversations with countries about which we have serious human rights concerns without necessarily so damaging our bilateral relations that our effectiveness is drastically reduced."

The report's findings in respect to countries that have figured in human rights controversies included the following:

• Although Israel is an "open democracy" with "strong respect for civil rights," its military occupation of the West Bank and Gaza Strip continues to cause strains in relations with the Palestinian inhabitants of these territories.

"These problems were exacerbated as a consequence of the activities of Jewish settlers in those areas," the report said. "Israeli leaders expressed concern over the potential growth of extreme views and violent actions and their effects on Israeli society."

• "Despite the gradualist reform process seen in recent years," the black majority in South Africa continues to be denied the basic rights of citizenship and blacks are still subjected to a variety of arbitrary detention measures and other rules severely limiting their political, social and economic development.

• Despite President Ferdinand E. Marcos's promise of "appropriate prosecution in a civilian court" of military leaders implicated in the 1983 murder of a Philippine opposition leader, Benigno S. Aquino Jr., political polarization and a growing leftist insurgency maintain a climate of continued violence, political killings, disappearances and frequent rights abuses by authorities.

## Cabinet Shift By Pinochet Called End of Liberalization

By Robert R. McElroy

SANTIAGO — President Augusto Pinochet has replaced a key cabinet official, Interior Minister Sergio Onofre Jarpa Reyes, with a political novice in a move that diplomats say ends General Pinochet's experiment with political liberalization.

General Pinochet also replaced Finance Minister Luis Escobar, who had been chosen by Mr. Jarpa, with an economist, Hernán Bachi.

The new interior minister, Ricardo García, 54, a lawyer and businessman from the port city of Valparaíso, has no known political affiliation and no experience in public office.

"He looks like a man who is going to take orders," a diplomat said.

Mr. Jarpa had no words of criticism for General Pinochet after the cabinet shuffle.

He apparently forced General Pinochet to replace him on learning that Mr. Escobar was to be dismissed in March.

Mr. Jarpa's position in the government had looked increasingly untenable since General Pinochet imposed a state of siege to curb political unrest in November.

A veteran rightist politician, Mr. Jarpa was associated with conciliatory efforts to reach an agreement with opponents of the 11-year military government. He was appointed 18 months ago at the height of anti-Pinochet protests.

Mr. Jarpa had brought Mr. Escobar into the cabinet to bolster his attempts at political liberalization.

Diplomats said that with the changes, the cabinet no longer had independent officials of stature likely to challenge the president's uncompromising attitude toward dissent.

The broad-based Democratic Alliance of opposition political parties, which held abortive talks with Mr. Jarpa soon after his appointment, said Wednesday that he had been used only to present a false image of political liberalization while the true intention was to maintain autocratic government.

"The words spoken at the swearing-in of the new ministers confirm our conviction that the government has no desire whatsoever to move toward democracy," the group said.

In a speech at the inauguration ceremony Tuesday night, General Pinochet said the state of siege had been "necessary to curb violence" and that the Chilean public was grateful for it.

The measures have included the closing of the opposition press, strict censorship of political news in all other media, the dispatch of hundreds of opponents to internal exile and curbs on almost all political activity.

Journalists from opposition magazines that were closed down in November began a hunger strike Tuesday night to mark the annual Press Day, which commemorates the founding of the first newspaper in Chile in 1812.

It appeared that strains were likely to develop between Mr. Bachi, the new finance minister, and Modesto Collados, economics minister, who leads the government's economic team.

Mr. Bachi is associated with a group of adherents of Milton I. Friedman, the University of Chicago economist. The group's free-market, monetarist policies are praised by some for Chile's boom between 1979 and 1982 and blamed by others for the crash that has followed.



President Augusto Pinochet, right, talks with his new interior minister, Ricardo García, after swearing him in.

## Uruguay Military Rule Ends; Army Issues Coup Warning

By Robert R. McElroy

MONTEVIDEO — Uruguay's armed forces have formally stepped down after 11 years in government but have threatened to seize power again if the country slips into chaos.

"We are not thinking about a coup, nor do we wish to stage a coup, but if we are forced and the same causes arise as in 1973, we will not hesitate to do so," General Hugo Medina, head of the Uruguayan Army, said Tuesday.

General Medina's warning was issued shortly after the Council of State, the military government's legislative body, accepted the resignations of President Gregorio Alvarez Armellini and his cabinet.

The council appointed Rafael Adiego, president of the supreme court, as interim president until March 1, when Julio M. Sanguinetti is to be sworn in as president. The moderate Colorado Party candidate was elected Nov. 25.

The 35-member council did not

immediately name an interim cabinet.

General Medina criticized politicians' demands for amnesty for the country's more than 300 political prisoners. Human rights groups have said that, under the military regime, prisoners were routinely tortured and that some disappeared.

"If there is going to be an amnesty and prisoners with nine or 10 deaths on their hands are going to be set free, I cannot see why members of the armed forces who committed excesses should be tried," he said.

Political sources said General Medina's warning of a new coup appeared to highlight military concern over the possibility of an investigation of their administration.

The military seized power in 1973 after crushing the leftist Tupamaro guerrillas, saying this small Latin American country was sinking into political and economic chaos.

## U.S. Drug Agent, Pilot Still Missing in Mexico

Gang Suspected of Abducting Pair; U.S. Ambassador Tightens Security

By Richard J. Meislin

MEXICO CITY — An agent of the U.S. Drug Enforcement Administration and a Mexican pilot associated with the agency were kidnapped in Guadalajara, Mexico, last week and neither has been heard from since, according to the U.S. Embassy here.

The agent, Enrique Camarena Salazar, was kidnapped Thursday, an embassy spokesman said Tuesday. The pilot, Alfredo Zavala Avila, a friend of Mr. Salazar who flew missions for the agency in Mexico, was abducted a few hours later.

John Gavin, the U.S. ambassador, said there had been no communication with the men or their abductors.

Mr. Gavin said he had ordered increased protection of American officials and their families in Mexico.

Speaking of Mr. Salazar's abduction, he said: "We have witnesses to this effect: He was taken away in Guadalajara by armed men. We have not seen him or heard of him since."

The embassy spokesman said that later Thursday, a car in which Mr. Salazar was a passenger was forced off the road as he returned from the Guadalajara airport and that the pilot had been removed from the vehicle by two men with machine guns.

The head of the U.S. drug agency, Francis M. Mulen Jr., said Tuesday that he had ordered his agents in the United States to expedite investigations of drug traffickers with ties to Mexico and that "early indictments will be sought wherever possible."

Mr. Gavin said the embassy was increasing security measures, "particularly for those individuals, officials and their families who might be targets of drug traffickers."

The two officials appeared at a press conference before meeting with Mexican officials about the kidnappings.

Additional U.S. agents have been flown into Mexico to help

with the investigation, an embassy spokesman said.

Mr. Mulen said that Guadalajara, in the western state of Jalisco, had become "the major center at this time" for what he said were 75 major drug traffickers in Mexico. He said the Mexican gangs had links with traffickers in South America and the United States.

## Union Chiefs Accused of Breaking Law

Washington Post Service

WASHINGTON — The presidents of the three largest U.S. federal and postal labor unions will be prosecuted for illegally engaging in political activities on behalf of Walter F. Mondale unless they resign their federal jobs or retire by Feb. 26, according to a government agency.

"We have concluded that during 1983 and 1984 you engaged in campaign activity in support of the presidential candidacy of Democrat Walter Mondale and against the re-election of Republican Ronald Reagan," the Office of Special Counsel, an arm of the Merit System Protection Board, said in letters to the three union officials released Tuesday.

The 1939 Hatch Act prohibits federal workers from campaigning, fund-raising, distributing literature or seeking office.

The three labor officials, Kenneth T. Blaylock of the American Federation of Government Employees, Moe Biller of the American Postal Workers Union and Vincent R. Sombrotto of the National Association of Letter Carriers, whose unions represent 1.3 million employees, have been outspoken critics of the Reagan administration.

## Allies Upset Over U.S. Nuclear Plan

(Continued from Page 1)

are prohibited by treaty from deploying the weapons there.

Nonetheless, administration officials acknowledged this week that nuclear weapons storage facilities and a specially trained team of military experts were in place in Puerto Rico to receive the weapons. They also said in response to a question that the classified contingency plans governing the current deployment of nuclear weapons noted that the weapons would have to be "abrogated" before nuclear weapons could be sent there.

In early January, Mr. Arkin visited Canada and news articles appeared describing the nuclear contingency plans. On Jan. 10, Mr. Coates said he was unaware of any such plans.

On the same day, a State Department spokesman, Alan D. Rosenberg, said that it was "strict NATO and United States policy neither to confirm nor deny the authenticity of any alleged U.S. or NATO classified documents."

He added the assurance that no weapons would be deployed in Canada or elsewhere "without strict conformity with appropriate NATO plans and procedures and the prior agreement of the host government."

On Jan. 11, General Gérard C.E. Theriault, the chief of the Canadian defense staff, said his aides had confirmed the plans in conversations with U.S. military officials the day before. Until then, he said, he had not known of their existence.

Admiral Robert Falls, a former chief of Canada's defense staff, then told Maclean's magazine: "The United States has a moral obligation to consult us when using our territory for something as emotional as nuclear weapons. It is an immoral attitude to make plans without consulting the countries involved."

Soon after, as the issue drew attention in the Canadian press and Parliament, a senior Defense Department official told the Canadian authorities that the plan was not "current."

In the House of Commons, Mr. Coates said it was "an old document," and that any such future plans would involve consultations with Canada. Pressed further, he stated, "There are no such plans."

Earlier revelations apparently made by Mr. Arkin touched off public debate in Bermuda and Iceland.

Bermuda is a British crown colony, and Britain is responsible for its defense.

When a news report appeared in Bermuda in early January, Premier

John W.D. Swan said he was unaware of any such plans and demanded an explanation from Washington. He, too, received U.S. assurances that no deployments would be made without permission from the proper authorities.

In early December 1984, Mr. Arkin reportedly turned over the top-secret 1975 deployment document to Iceland's prime minister, Steingunnur Hermannsson, who publicly demanded an explanation from Washington.

On Dec. 7, Geir Hallgrímsson, Iceland's foreign minister, said that if a U.S. president had given permission for such deployments, "this is a clear breach of the defense treaty" between the two countries.

He was referring to the 1951 Keflavik base agreement, which reads in part: "The national composition of forces, and the conditions under which they may enter upon, and make use of facilities in Iceland pursuant to this agreement, shall be determined in agreement with Iceland."

Administration officials said that they were uncertain now about Iceland's policy toward the possible deployment of the weapons, but that they believed the Icelandic government now was reassured.

In Puerto Rico, the issue of preparedness to receive nuclear weapons arose last August in a study published by the Puerto Rico Bar Association. The study did not specifically mention the U.S. contingency plans, but it cited activities dealing with the possibility of deploying nuclear weapons there.

In 1967, the Treaty for the Prohibition of Nuclear Weapons in Lat-

in America, also known as the Tlatelco Treaty, came into force and was signed by the United States. In later years, the other nuclear powers agreed to treat the area as free of nuclear weapons. In 1977 a protocol was added under which the United States agreed that the prohibitions would apply to Puerto Rico. That year, Reagan administration officials stated, the United States removed nuclear weapons previously stored there.

Washington unilaterally stated at the time that the ban did not apply to transit. But last August, in response to the Puerto Rico Bar Association report, the State Department declared that transit meant overflight and landing by aircraft solely for transit.

A major portion of the Bar Association report was based on the work of Mr. Arkin.

Finns to Be Vaccinated For New Form of Polio

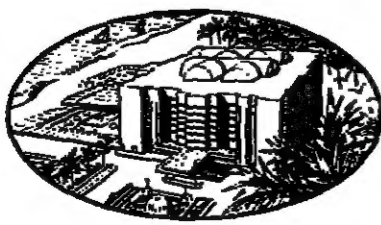
By Robert R. McElroy

HELSINKI — Finland is vaccinating its entire population against polio after the discovery that about 200,000 Finns could be carriers of a new strain of the disease, known as polio-3.

An official of the national medical board said that the estimate of victims — one in 20 people — was based on the unusually high occurrence of the virus in sewage throughout Finland. Medical experts said that most of those carrying the virus might be unaware of the disease. A 17-year-old youth has died from polio-3.

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# Colonel Asserts Westmoreland Set 'Dishonest' Enemy Ceiling

By M.A. Farber  
New York Times Service  
NEW YORK — A retired U.S. Army colonel who was in charge of estimating enemy strength in South Vietnam in 1967 has testified that General William C. Westmoreland imposed a "dishonest" ceiling on reports of that strength because higher figures were "politically unacceptable."

Colonel Gains B. Hawkins testified Tuesday that the "command position" was that the estimates of enemy strength "would not exceed" 300,000, about 200,000 below the figure supported by the colonel. He appeared in U.S. District Court in Manhattan as the 16th witness for CBS in the general's \$120-million libel suit against the television network.

General Westmoreland, who commanded U.S. forces in Vietnam from 1964 to 1968, denied in his own testimony in November that he had placed a ceiling on estimates of enemy strength. He said he was concerned about the "public relations" impact of releasing new data without "explanation" but was guided by his own views of enemy capabilities and what he believed to be the best intelligence available to him.

Colonel Hawkins, 65, was chief of the "order of battle" section for General Westmoreland's command from February 1966 to September 1967.

He testified that he had first briefed General Westmoreland in May 1967 on much increased figures for the Vietcong's irregular forces and political cadre. His statistical methods, the colonel told David Boies, a CBS lawyer, were not questioned, but his figures were "not accepted."

Q. Colonel Hawkins, I want you to tell me in words to the extent you can, and in substance to the extent that you recall, what General Westmoreland said to you at that briefing?

A. I will have to tell you in substance because I cannot remember the precise words. But the substance of General Westmoreland's statement was that these high figures were politically unacceptable. The sum and substance of his statement included statements like "What will I tell the president? What will I tell the Congress? What will be the reaction of the press to these high figures?"

"We'd better take another look at these figures," Colonel Hawkins recalled the general saying. The colonel said that, in the following months, at least partly on the orders of another colonel who was his immediate superior, he reduced the estimates. He made no mention of a direct order from General Westmoreland to cut the figures.

Colonel Hawkins testified that 14 years later he had discussed the May 1967 briefing with George

Crite, a defendant and the producer of the CBS documentary of 1982 that prompted General Westmoreland's lawsuit.

Q. Did you discuss with Mr. Crite in 1981 who was responsible for the dishonesty of MACV [General Westmoreland's command] enemy strength figures?

A. I told him it went back to General Westmoreland himself.

Q. Did you discuss with Crite why you believed it went back to General Westmoreland himself?

A. Because General Westmoreland had established a ceiling, and no competent intelligence analyst can function under the ceiling that had been established.

The CBS documentary entitled, "The Uncounted Enemy: A Vietnam Deception," alleged that General Westmoreland's command in Saigon had engaged in a "conspiracy" in 1967 to show progress in the war by understating the size and nature of Communist forces, mainly by deleting the Vietcong's self-designated units from the official listing of enemy strength known as the order of battle.

The documentary specifically accused the general of setting the ceiling of 300,000 on reports of enemy strength.

## Report Says U.S. Refuses Intelligence to New Zealand

The Associated Press  
LONDON — The United States has stopped supplying New Zealand with top-level intelligence on the Soviet Union because of the New Zealand government's refusal to allow a U.S. destroyer to make a port call, Jane's Defense Weekly reported.

The article in the weekly, published Tuesday, quoted "reliable sources" in Canberra, the Australian capital.

The reported move would represent the most serious U.S. action against New Zealand, a member of the 1951 defense alliance known as ANZUS, involving Australia, New Zealand and the United States.

[In New Zealand on Wednesday, Agency France-Press quoted Prime Minister David Lange as saying that New Zealand had observed "no change" in the flow of routine U.S. intelligence.]

In Washington, several Reagan administration officials declined comment on the Jane's report, saying they were prohibited from discussing intelligence matters. But one official who insisted on anonymity, said he understood that the administration was "making things tough" for New Zealand in a number of ways.



Police in Japan checking store shelves for poisoned candy on Wednesday following the latest in a series of extortion threats, which were timed to coincide with Valentine's Day.

## Japanese Find More Poisoned Candy

The Associated Press  
TOKYO — Extortionists have placed chocolate bars laced with cyanide in stores in Tokyo and in the central city of Nagoya in an attempt to harass candy makers preparing for increased sales on Valentine's Day, police said Wednesday.

A police official said that members of a gang calling itself "The Man with 21 Faces," a name taken from a popular novel, had poisoned the packages of chocolates. The group also labeled several packages "not poisoned," the official said.

The gang, which has demanded millions of dollars and threatened at least 30 food companies since last March, warned in a letter to Fujiya Co. in December that "there also is Valentine's Day" to carry out its threats. Millions of Japanese

buy chocolates to give as gifts on Feb. 14.

Last October, the gang left 17 cyanide-laced packages of candy in stores in western Japan, triggering a house-to-house search and patrols of stores. No deaths have been attributed to the poisoned candy, police said.

On Tuesday in Tokyo, a chocolate bar with a note saying "Danger, contains poison, you'll die if you eat this" was found outside a restaurant, police said.

Mail sorters at a post office also found a chocolate bar with a similar note on Tuesday. Later, two other packages of chocolates found in central Tokyo turned out to be laced with cyanide, police said.

A spokesman for the Nagoya police said that mail sorters at the Nagoya Central Post Office found a chocolate bar with a similar note.

Chocolates from the Meiji Seika and Lotte companies were among those involved in the latest incidents. They previously had not been threatened by the gang, which has directed most of its threats at Fujiya and Morinaga & Co.

None of the companies has paid extortion money, police said.

Meanwhile, the gang sent letters to two newspapers in Nagoya, indicating they planned to distribute more poisoned chocolates.

"There wasn't Valentine's Day when we were young," the letter said. "We've never been given chocolate. Wonder who made up such a stupid thing."

## Fire Sweeps Manila Hotel, Killing 24 Guests, Staff

The Associated Press  
MANILA — Fire that spread quickly through one of Manila's luxury hotels early Wednesday killed at least 24 guests and employees, firemen said. Many of the dead were foreigners, according to the authorities.

Sixteen bodies were recovered, and a police corporal, Mario Pangiban, said that firemen had located eight more. The fire was still burning through parts of the 11-story Regent of Manila Hotel 14 hours after it broke out.

Mr. Pangiban, an arson investigator, said that of the 370 people registered at the hotel, 160 had been transferred to the nearby Hyatt. He said that three were being treated at a nearby hospital.

He said he did not know the whereabouts of the others or how many might have been trapped in the Regent.

It was the sixth hotel fire in the Philippines in four months. Police blamed three of the previous fires, which killed a total of 46 people, on arsonists, possibly Communist guerrillas, although no group has claimed responsibility for them.

A suspect with alleged rebel ties escaped last week from police custody. He was being held for trial for an October fire that killed 23 people at the Pines Hotel in the northern city of Baguio.

A group of American guests who work for the Internal Revenue Service said one of their party had been killed.

The U.S. Embassy declined to identify any American dead until relatives had been notified.

"I was screaming," said Ann Douglas of Washington, one of 14 IRS officials attending a weeklong meeting at the hotel. "I tried to block the smoke with wet towels and then went running down the hall."

"It was the smoke that was most deadly," said Colonel Rolando Siquior, the area police chief.

Fire officials said it could take several days to determine the cause of the hotel fire.

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## Union Carbide Plans to Reopen Factory in U.S.

New York Times Service  
NEW YORK — The Union Carbide Corp. said Tuesday that by April 1 it hopes to reopen a West Virginia plant that produces methyl isocyanate, the pesticide ingredient that killed more than 2,000 people when it leaked into the air at a similar plant in Bhopal, India.

Union Carbide said the plant at Institute, West Virginia, which has been closed since the gas leak Dec. 3 in India, would reopen with at least one major safety improvement: a computer system to track chemical leaks.

The company also said it was considering the elimination of commercial shipments of the chemical, commonly known as MIC, smaller inventories and procedural revisions.

The report said that New Zealand was ordered out from the list of recipients of intercepted radio communications on Feb. 4, when Mr. Lange said for the second time that the destroyer could not dock unless Washington guaranteed that the ship was not carrying nuclear weapons.

The intelligence is gathered under a 1947 treaty for monitoring Soviet military and diplomatic radio traffic in the Pacific. Members of the treaty are the United States, Britain, Australia, Canada and New Zealand.

New Zealand was routinely responsible for intercepting radio communications in the southeast Pacific, but its participation had become "more token than real" in recent years because of satellites and high-technology equipment, Jane's said. New Zealand has a small navy and no satellites.

## Publishing Thrives in Poland, But Underground

By Michael T. Kaufman  
New York Times Service  
WARSAW — So many Poles spend so much of their time waiting for a "kolporter" that one might conclude that there is a revivalist cult of the American songwriter here.

But the word that sounds like Cole Porter actually refers to something clandestine.

The word is a perfectly fine Polish one, imported from the French, that literally means a door-to-door salesman, but refers these days to bootleggers of materials published underground and connected with the outlawed Solidarity trade union movement.

There are an estimated 20,000 men and women who work as kolporters, taking orders, delivering materials, collecting payments and turning funds over to organizations affiliated with Solidarity.

Judging from the books, magazines, leaflets, tapes, cards and badges that they handle, the clandestine publishing effort is huge.

As an industry it is said to involve tens of thousands, and some sources say hundreds of thousands, of mostly part-time volunteers.

In numbers of publications, the illicit press in Poland rivals and may even overwhelm the state-run publishing houses.

A list of underground books recently distributed included such works as translations into Polish of French by Raymond Aron, the Czechoslovak writer, and a work titled "Political Psychiatry in the Soviet Union" by Robert van Vooren, a Dutch writer.

Recently, a hard-cover comic book was distributed, a black and white album telling about the rise of Solidarity.

A major recent literary event was the issuing by the nonofficial press

of a new novel by Tadeusz Konwicki, generally regarded as Poland's most highly esteemed author. The book, "Underground River," was brought out by Krag, one of the dozens of underground publishing houses to have arisen during the growth of Solidarity.

In an interview, Mr. Konwicki said that his last four books appeared first under the imprimatur of such illicit publishers before being translated and published abroad.

"I really don't know how it happens and I don't want to know very much," said the author of such works as "The Polish Complex" and "A Small Apocalypse."

In Poland, there is an official culture where manuscripts are assigned and then examined for ideological purity, a process that can take anywhere from two years to 25 years, as in the case of "The Uprising of the Polish Nation in 1831," a 150-year-old anti-Russian classic that appeared officially last summer after first being proposed in 1958.

But there is an unofficial culture that responds almost instantly to current events.

The police in Poland are efficient and both paper supplies and access to printing equipment are limited. These many people have asked how and why this underground culture has been allowed to flourish while the labor unions and political discussion groups that sprouted during the reign of the now-banned Solidarity organization have been suppressed.

In fact, some kolporters and clandestine editors have been arrested and sentenced to prison terms of up to two years.

Still, police raids appear to be perfunctory and there is an impression that some of the authorities are turning a relatively blind eye to

some of the publishing activity.

"The existence of 500 underground journals is the real miracle of the Solidarity period," said Adam Michnik, the formerly imprisoned Solidarity adviser.

Said Mr. Konwicki: "Perhaps the authorities have different priorities. Poland is flatter than the rest of Europe as a Western cultural nation with broad, if clandestine, cultural expression."



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## Soviet Gets a Hill With a View for Embassy in U.S.

New York Times Service

WASHINGTON — In intelligence circles, the site of the new Soviet Embassy in Washington is considered the biggest giveaway since Peter Minuit got Manhattan in 1624 for the equivalent of \$24.

Near the intersection of Wisconsin and Massachusetts Avenues, where upper Georgetown and Glover Park crest at the top of a hill called Mount Alto, 350 feet (100 meters) above sea level, the site has a commanding view of the entire Washington area.

In the arcane world of electronic spying, the site is described as an ideal place to monitor government, commercial and private communications flowing into, out of and over Washington. "From an eavesdropping standpoint, that's one of the most magnificent vantage points in Washington," a senior U.S. intelligence official said.

By contrast, intelligence officials say, the new U.S. Embassy in Moscow is being built in the middle of the city where surrounding buildings will limit the ability to monitor Soviet communications.

How the Soviet Union obtained the Mount Alto site remains the subject of considerable debate 16 years after Washington and Moscow reached agreement on the construction of new embassies. That agreement, six years in the making,

provided new sites for both countries and permitted each country to bring in its own construction crews to work on the interior of its new chanceries, to prevent the installation of electronic eavesdropping devices.

The main reason the Russians got such a favorable spot, according to intelligence and State Department officials, was that bugging was relatively primitive at the time and U.S. officials were not aware of the site's potential advantages.

The United States and the Soviet Union have invested billions of dollars in trying to intercept each other's communications. Much of this is done from satellites. In addition, the United States and its allies, particularly Britain, maintain ground stations in Europe and Asia to track Soviet communications.

The Soviet Union, in turn, operates a large ground station in Cuba that U.S. intelligence officials say is able to monitor almost all domestic communications, including telephone and television, relayed to and from the East Coast by satellite.

Electronic spying is considered vital by both countries. One of the most sensitive applications, according to intelligence officials, is monitoring the electronic data, telemetry, that are transmitted by missiles and re-entry vehicles in tests.

The tracking of missiles as they fly downrange is carried out by satellites, ground stations and specially-equipped aircraft and ships. This kind of monitoring has played a key role in the ability of both countries to verify compliance with arms agreements.

Soviet eavesdropping in Washington is designed to pick off any stray unsecured government communications as well as those involving commercial transactions, which are largely unprotected, and even private telephone conversations, intelligence officials say. The United States tries to do the same in Moscow. For a brief period in the 1970s, according to intelligence officials, the United States was able to monitor the radio telephone conversations of Soviet leaders as they drove around Moscow.

The site of the new Soviet Embassy, the officials say, provides a clear line of sight to the State Department, the White House, De-



The Soviet Union's new embassy in Washington, now under construction on Mount Alto.

fense Department, Commerce Department and several important foreign compounds, including the British, West German and French Embassies. Even the Central Intelligence Agency headquarters in suburban Virginia are partly in electronic view.

Further, the site offers a largely unobstructed view of several key microwave relay towers that serve as the conduit for most telephone and data-transmission communications from Washington to other East Coast cities.

When completed in several years, the 10-acre (four-hectare) Soviet compound will have a nine-story apartment building, a small school, a gymnasium, an eight-story administration building and a residence for the ambassador. The apartment building and school already are occupied.

Antennas and dish-shaped receivers will be tucked away in these buildings, according to U.S. intelligence officials. They said that some already were in operation.

To counter Soviet spying from the new site as well as from other Soviet installations in the Washington area, not to mention satellites and ships off shore, the government, working with the telephone company, has tried to route nearly all sensitive calls in the area on underground cables.

In addition, the government has invested heavily in the development and installation of secure telephones. Government messages to posts abroad are encoded.

## Canadian Provincial Premier Denies Drugs Allegation

The Associated Press

FREDERICTON, New Brunswick — Richard Hatfield, the premier of New Brunswick, on Wednesday denied accusations that he had offered marijuana and cocaine to a group of students at his home in 1981 and insisted that he would not resign.

Mr. Hatfield, 53, was acquitted last month on drug possession charges stemming from the discovery of marijuana in his suitcase during Queen Elizabeth II's tour of Canada in September.

Reading a statement in New Brunswick's provincial capital, he

said he thought the same people that he said had planted drugs in his luggage were orchestrating other rumors and allegations to drive him from office.

Two former students said in newspaper and television interviews that they met Mr. Hatfield at a Fredericton restaurant in 1981, gave him a ride home, were invited in and offered cocaine and marijuana. One said he saw the premier using cocaine. The reports led to calls from newspapers and opposition politicians for Mr. Hatfield's resignation.

The premier said he was consid-

ering filing a suit for defamation and would stay in office. Mr. Hatfield has won four consecutive elections since 1970, making him Canada's senior provincial leader and the longest-serving premier in New Brunswick's history.



Henry Hathaway

## Henry Hathaway, Movie Director, Dies in U.S. at 86

New York Times Service

NEW YORK — Henry Hathaway, 86, a Hollywood film director with a reputation for turning out such solid, well-crafted movies as "Lives of a Bengal Lancer," "Romel, Desert Fox" and "True Grit," died Monday in Los Angeles.

Mr. Hathaway had been admitted to a hospital two weeks ago after suffering a heart attack.

His more than 60 films included "The Real Glory," a 1939 drama about the Philippine uprising that is regarded as a minor classic; "Brigham Young," the 1940 examination of the Mormon movement that includes a memorable segment in which a grasshopper plague is ended by an invasion of seagulls; and "Kiss of Death," the 1947 film in which Richard Widmark became a star because of a harrowing scene in which the actor, playing a hired killer, pushes an old woman in a wheelchair down a flight of stairs.

Mr. Hathaway enjoyed great rapport with prop men, electricians, carpenters, cameramen, grips and other technicians, because they considered him one of their own. He had worked his way up in the film business, moving from actor to prop boy at the age of 14.

Born Henri Leopold de Fliennes in Sacramento, California, Mr. Hathaway was the son of a stage manager and of Jean Hathaway, an actress whose surname he later adopted. He started acting when he was 10, in short one-reel westerns directed by Allan Dwan.

His breakthrough high-budget film, released in 1935, was "Lives of a Bengal Lancer," with Gary Cooper and Franchot Tone.

Among his other films were "Home in Indiana," "13 Rue Madeleine," "Call Northside 777," "Down to the Sea in Ships," "Fourteen Hours," "Twenty-Three Paces to Baker Street," "The Sons of Katie Elder" and "Nevada Smith." "True Grit," which he directed in 1969, brought John Wayne his only Academy Award.

## INTERNATIONAL POSITIONS



Saga Petroleum is one of three Norwegian oil companies engaged as operators on Norway's continental shelf. The company participates in 21 concessions and is operator for 9 of these.

Outside of Norway Saga's subsidiary, Saga Petroleum Benin a.s. is engaged in the development and exploration of the Seme oil field off the coast of Benin in West-Africa. The field came on stream during November 1982. There are 40 expatriates working on the project in Cotonou, the principal town of Benin.

For our project in Cotonou, we have a vacancy for

## Workover & completion supervisor

with responsibility for all coordination, installation and ordering of relevant equipment and services.

Applicants should have experience from:

- Electrical submersible pump installations.
- Completion equipment.
- Wireline operations.

Assigned responsibilities will also include training of Beninians employees.

The position reports to the Production Manager.

Required background as engineer and minimum 5 years relevant experience.

Proficiency in English is required. Working knowledge of French is desirable.

We offer a two years contract subject to extension upon mutual agreement.

Place of work is Cotonou.

Additional information can be provided by Hugo Sandal or Hallvard Høydaalsvik, telephone 2-12 01 11.

Application with resume and references, marked SPB 3/85, to be sent within February 28th to

**Saga Petroleum a.s.** Maries vei 20, P.O. Box 9, 1322 Hovik, Norway

## SINGAPORE AIRLINES

Invites applications from suitably qualified candidates for employment in Singapore as:

## B747 COMMANDERS

### REQUIREMENTS:

Valid ATPL acceptable to licensing authorities in Singapore with endorsement for B747 aircraft and current instrument rating. Minimum 1000 flying hours in command including at least 500 hours in command on the B747.

### TENURE & PROSPECTS:

Minimum 2 years with possibility of extension. Applicants should be aged 57 years or below.

### GROSS SALARY (\$4 PER MONTH)

Include expatriate allowance, annual wage supplement, monthly company contribution to Provident Fund, school fees & rental subsidies.

Single: Approximately 10,000.

Married: Approximately 11,000.

### SERVICE BENEFITS:

- Monthly company contributions to Provident Fund.
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- 6 weeks' annual leave with provision of air travel for employee and family.

### APPLICATION:

Please submit your application to: Manager Personnel Services Singapore Airlines Limited P.O. Box 501, Airmail Transit Centre, Singapore 9181.



## AREA MANAGER SOUTH AMERICA

One of West Germany's most reputable pharmaceutical firms seeks an experienced Marketing/Operations Manager to direct the ethical pharmaceutical affairs of its subsidiaries in South America from its headquarters. Practical, successful management experience in pharmaceutical disciplines in this area is necessary along with fluency in German, Spanish and English. Knowledge of Portuguese would be advantageous. Compensation and perquisites are negotiable based on experience. Send resume to:

WAYNE GROUP Human Resource Consultants 19 Rue d'Anjou, 75008 PARIS.

Sao Francisco - London - Melbourne - Los Angeles - New York - Caracas - Athens



## INTERNATIONAL POSITION



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For our project in Cotonou, we have a vacancy for

## Chief Mechanical Engineer

on onshore and offshore installations.

Functions will include:

- Preventive maintenance of all mechanical and rotating equipment, such as diesel and gas engines, pumps, compressors etc.
- Supervision and follow-up of daily maintenance and repairs.
- Ordering and follow-up of supply and storage of spare parts for all mechanical equipment.
- Training of Beninians personnel.

The position reports to the Production Superintendent.

Required background as engineer or as chief engineer from the merchant marine and 5-7 years relevant experience, preferably from offshore activities.

Proficiency in English is required. Working knowledge of French is desirable.

We offer a two years contract subject to extension upon mutual agreement.

Place of work is Cotonou, but stays offshore must be expected.

Additional information can be provided by Kjell Aalandstid, telephone 2-23 50 50 or Olav Mofjell, telephone 2-12 01 11.

Application with resume and references, marked SPB 2/85, to be sent within February 28th to

**Saga Petroleum a.s.** Maries vei 20, P.O. Box 9, 1322 Hovik, Norway



## ABU DHABI NATIONAL OIL COMPANY

ADNOC is one of the major oil companies in the Middle East controlling the Exploration, Production and Processing of Oil, Gas and Associated Products in Abu Dhabi.

The Company wishes to appoint a number of experienced professionals in its Exploration & Production Directorate as follows:

### SENIOR GEOLOGIST

Responsible for the preparation of all kinds of sub-surface geological maps on local and regional scales. Prepares evaluation reports on prospective exploratory areas by using all available geological and geophysical data. He should also be able to prepare and evaluate exploration and development programmes and prepare technical reports on the proposed locations.

The candidate should have a B.Sc. in Geology with a minimum of 8 years experience in Petroleum Geology and Log interpretation. Knowledge of Computer applications in Petroleum Geology is preferable.

### SENIOR GEOPHYSICIST

Responsible for interpreting seismic information, preparing technical reports and providing recommendations. He will also be responsible for establishing the parameters for field data acquisition (Land and Marine).

The candidate should have a B.Sc. in Geology and Geophysics with a minimum of 8 years experience in the field of seismic prospecting.

### GEOPHYSICIST

Assists in interpreting seismic results and controlling field data acquisition (Land and Marine).

The candidate should have a B.Sc. in Geology and Geophysics with a minimum of 5 years experience with Companies active in the field of seismic prospecting.

### SURVEYOR

Assists in general surveying and control on surveying jobs conducted by Contractors. He should be able to use modern surveying instruments (theodolites, levelling instruments, etc.) and:

- ★ Assist in establishing permanent geodetic control in remote areas.
- ★ Assist in programming and computing triangulation points and general geodetic data.
- ★ Plan well locations and indicate some of old drilled well locations.

The candidate should have High School education and a Diploma in Surveying (at least one year duration) from a recognized Institute plus a minimum of 6 years experience with Companies active in the field of oil prospecting.

Good knowledge of English and Arabic is required for these jobs.

These appointments are based in Abu Dhabi city, working on an off-shore concession areas.

ADNOC benefits include a competitive tax-free remuneration, good career prospects, free medical care, free family accommodation, furniture allowance, paid home leave for the family and educational assistance for eligible children.

Interested candidates are invited to forward their detailed applications, together with photocopies of their education and experience certificates, within three weeks from the date hereof to:

EMPLOYMENT DIVISION MANAGER  
PERSONNEL DIRECTORATE  
ADNOC  
P.O. BOX 988  
ABU DHABI - U.A.E.

## EXECUTIVES AVAILABLE

### INTERNATIONAL MANAGER

Swiss/French citizen, 40, U.S.-Swiss education, law, economics, U.S. MBA.

Fluent: English, French, German, Italian, Spanish, Portuguese. Knowledge of Oriental languages.  
Career: 18 years experience in int'l sales and marketing at highest level. Elaboration of marketing strategies and implementation of products (services and consumer, pharmaceuticals, luxury and others). Strong personality, highly versatile, quick decision maker, good at resolving delicate matters, trouble shooter if necessary. Top business contacts in the Western world. Presently running heavy machinery unit in Northern Italy. Looking for a challenging position with top. Can travel and eventually relocate.

Write: Box D-2136, International Herald Tribune, 92521 Neuilly Cedex, France.



L'Agence Nationale Pour l'Emploi  
AGENCE SPÉCIALE DES INGÉNIEURS ET CADRES  
12 Rue Blanche, 75436 Paris CEDEX 09  
Tel.: 280.61.46, Ed. 71 - 285.44.40, Ed. 42

• FRENCH SPECIALIST IN EXPORT AND SHIPPING, 55, E.S.C., fluent English, Spanish, German, Arabic, 34 years experience (NABEY AFRICA and MIDDLE-EAST). Well acquainted with high level negotiations in a leading chemical group (world scale). Searching JOB with responsibility France in abroad in a company involved in goods or services keen to start/expand its exportation department. Ref.: 404-PARIS CADRES 1/CR.

• FRENCH MECHANICAL ENGINEER (A.M.), 54, fluent English, German, Spanish. Full command in all aspect of a major industrial turn key project (planning, technical and financial management, negotiating, coordination, field operation work...). Used to learn work with foreign engineers. SEEKS technical and managing responsibilities in France or abroad, available, accepts punctual missions. Ref.: 403-PARIS CADRES 1/CR.



# Herald Tribune

Published With The New York Times and The Washington Post

## A Middle Way in Nicaragua

President Ronald Reagan has given interviews from The New York Times a clear, concise statement of his attitude toward the Sandinist rulers of Nicaragua. They betrayed the revolution that Americans cheered for its promise of democracy, he said. They have become pro-Soviet, chased democrats into exile and refused to subject their power to the consent of the Nicaraguan people. The exile army of "contras," therefore, has every reason to fight for democracy. The United States has ample reason to help them.

The president's premises are admirable and accurate. But his attitude is not a policy. Americans are also displeased by betrayals of democracy in South Korea and Haiti. Cuba and Poland, but do not make war on account of such displeasure. Why not?

First, because the costs of exporting democracy by war are usually too high. Even direct invasion of nearby countries would plunge them into endless civil war. We could capture Managua or Havana but we could not clear the hills of the guerrillas thus created.

A second reason is that we are rotten at making intrusive war, overtly or covertly. The Sandinists and Fidel Castro are good examples of how rotten. Their regimes result directly from dictatorships sponsored by America's marines or meddling diplomats. The Central Intelligence Agency's overthrow of pro-Communists in Guatemala 30 years ago delivered that country to rightist totalitarianism.

A third reason is more abstract but no less compelling. Americans do not want to live in a world where nations feel free to impose their political doctrines on others by force. War should be a last resort, to defend vital national interests. To act otherwise is to stimulate aggression throughout the world.

When a president declares war on a country,

he needs a better reason than distaste for its regime. Even when he has one, he needs to be sure that his goals are attainable with the force he is prepared to expend. Only with such calculation does an attitude become a policy.

The American-sponsored contra army is simply too weak to overthrow the Sandinists. Its hit-and-run assaults can damage their economy and punish their hostility. But such warfare also invites either unthinkable escalation or the ultimate humiliation of failing to achieve our stated purpose. Meanwhile, the combat cruelly exploits Nicaraguan patriots whose goal we know to be unattainable. In the end, they will be twice betrayed.

Still, surely the contra army hurt the Sandinists enough to make them willing to deal? Perhaps, if the price were clear to them, and tolerable. As the president recognizes, the Sandinists cannot be forced out of power. What they might do under pressure is agree to bar Soviet and Cuban military bases and to let an inter-American force guard against the shipment of arms to El Salvador.

What then of the political, religious and labor freedoms that the president and all Americans want to see in Nicaragua? As in dealing with other countries, these could be made the price of real friendship, of aid and a variety of trade concessions.

The policy choices in Nicaragua are not between blind force and abject acquiescence. Geography and circumstance create an American interest in Nicaragua's future, and opportunities to influence it. Surely judicious pressures for negotiable ends promise a better result than aimless combat. At worst, the Nicaraguan people would be left in a grim peace. At best, they would have America to thank for a gradual improvement in their condition.

— THE NEW YORK TIMES.

## Undiplomatic Diplomats

Look at it from the point of view of our ambassador to South Korea, Richard L. "Dixie" Walker. Or is it Senator Jesse Helms' ambassador to South Korea? Dixie Walker was one of a score of officials who, in a memorable act of diplomatic indiscretion, interrupted their representation of President Ronald Reagan last fall to call for the reelection of the senator from North Carolina.

But never mind. Here was former professor Dixie Walker, in Seoul, faced with the most important assignment of his ambassadorial career: to see to the safe and uneventful return of the political exile, Kim Dae Jung. Given the Korean government's evident fear and loathing of Mr. Kim, and Mr. Kim's popular standing and his escort of several dozen other American human-rights activists, it was bound to be a tough assignment. As it happened, moreover, Ambassador Walker blew it. Nobody got badly hurt, but there was a scuffle at the airport and Mr. Kim was taken out of circulation in a way that made Korea look ugly and the United States look foolish. No wonder Ambassador Walker lost his cool.

That, at any rate, is the most charitable explanation for his outburst against the Americans who escorted Mr. Kim home. He said they, or some of them, had "renege" on the homecoming agreement and provoked the airport fracas. He did find room to say that the Koreans were at fault, too, but the overall effect was to remove the principal onus from the perpetrators of the violence and place it on

a few Americans who were among its victims. There was no mention of his own contribution, whatever it was, to the collapse of the homecoming accord. All but lost in the shuffle was what good diplomacy would have kept at center stage: the future of Kim Dae Jung and democracy in a state with strong-man rule and plenty of American interests.

In recent days, an intriguing new theme has been heard coming quietly from top American officials. It is time, they say, for the United States to put behind its "Vietnam syndrome," its reluctance to take the hard cases — time to become more vigorous in support of embattled democrats abroad. Surely, there is an implication here for American human rights policy. For to be plausible and persuasive in its call to greater risk-taking abroad in behalf of democracy, the administration must also show its willingness to face up to repressors like the Chun government. As the Korean case demonstrates, however, parts of the administration have their own reluctance. They are full of ardor for the liberation of countries that are in, or falling in, the Soviet orbit — Nicaragua and Afghanistan. If the U.S. government means to ratchet up American support for strengthening the enterprise of freedom, however, the place to build the necessary momentum and credibility is precisely in the countries that are already in the American orbit. South Korea is Exhibit A. What does the administration plan to do to redeem its policy there?

— THE WASHINGTON POST.

## The Beginning of the End?

The South African government is bargaining with Nelson Mandela, the black South African who has been a political prisoner for 21 years, over the terms of his release. It is a development with historic potential: if the government frees Mr. Mandela, the way will be open for blacks to join whites in an unprecedented search for a political society acceptable to them both. It could mean the beginning of the end of the system of apartheid.

Mr. Mandela is no ordinary prisoner. He is the leader of the outlawed African National Congress, the main black underground group and a likely candidate to become, again, if it is legalized, a major national political organization. He has been in prison longer than most South African blacks have been alive, and he is a legend in his own time. This is due to the principled constancy of his anti-apartheid stand, and to the courage of his wife and, now, his daughter in projecting his voice: he and they have never stopped insisting that despite the immense personal hardships he will not accept release unless it is permitted to take up a full political role. His stature both allows him

to drive a hard bargain with the government now, and makes it worth the government's while to engage him as an interlocutor.

President F.W. Botha at first offered to let Mr. Mandela go, as a private citizen, to a black "homeland." He refused. Then Mr. Botha offered release in return for a pledge to "unconditionally reject violence as a political instrument." At the same time, Mr. Botha allowed Mr. Mandela two unusual forums: last month, an interview in a London newspaper and, last Sunday, a rally addressed by his daughter.

It is up to Mr. Botha, an Afrikaner carrying the burden of his people's lonely and insupportable racial inheritance. As he hesitates to open the door to minimal reform, others seek to pry it open wider. By moving toward a dialogue with blacks he risks shredding his white constituency. He and his fellow Afrikaners, to escape an ever harshening racial confrontation must take a chance on racial partnership. No one can assure them that taking the chance will produce a good result. They can only be assured that there is no alternative.

— THE WASHINGTON POST.

## FROM OUR FEB. 14 PAGES, 75 AND 50 YEARS AGO

**1910: A Not So Righteous Treasurer**  
ELSAH, Illinois — Elsie, the "Arcadia of America," where every man, woman and child goes to church; where there are neither doctors nor drug stores, jails nor criminals, and where one who dies before eighty is "cut off in his youth," is stunned. Edward P. Neylon, village treasurer, school trustee, pillar of the church and leader of his people was arrested [on Feb. 1] on a charge of converting to his own use \$650 belonging to the Chicago, Peoria and St. Louis Railroad and \$380 entrusted to him by the unphilanthropic citizens of Elsie. Neylon was taken by constables to Jerseyville, where he admitted his guilt. The citizens of Elsie assembled in the church and with bowed heads discussed in whispers the plight of Neylon. No one was able to give a satisfactory explanation of what he had done with the money taken from the villagers and the Bluff Line.

**1935: U.S. Airship Crashes in Pacific**  
SAN FRANCISCO — The United States Navy lost its second giant airship in two years [on Feb. 12] when the Macon, largest lighter-than-air craft in the world and sister ship to the ill-fated Akron, plunged to its doom in the Pacific 110 miles south of San Francisco while riding out a squall, with a loss of two lives out of a crew of twenty officers and sixty-three men. Admiral Courtney, commander of the battle fleet, said he was convinced that a mysterious explosion — not gas — had caused the stern of the airship to be blown away. Admiral Thomas S. Case, commanding the Twelfth Naval District, was inclined to believe that the accident could have been caused by any of a score of things, while Lieutenant Commander Scott Peck, a staff officer aboard the ship, declared a heavy squall had ripped off an upper fin, leaving the airship out of control.

## Tide of Pacifism Puts Pressure on Alliances

By Drew Middleton

NEW YORK — Alliances can and do stand the hard pounding of war. But as events since Feb. 4 have shown, they are susceptible to more insidious pressures.

The ANZUS (Australia, New Zealand, United States) alliance that has flourished since 1951, when the pact was signed, has been seriously weakened in more recent days by discord over nuclear weapons. And NATO, the linchpin of U.S. policy in Europe, suffers from what Europeans consider an overdose of U.S. leadership, and the steady development of anti-NATO and anti-nuclear opinion.

Relations with South Korea, the sole American military outpost on the East Asian mainland, have been strained by Seoul's misbanding and misbanding of the opposition leader, Kim Dae Jung, and his accompanying party upon his return from self-imposed exile in the United States. That incident seems to stress the wisdom of Demosthenes' axiom: "Close alliances with despots are never safe for free states."

Do these incidents foreshadow a breakdown of the alliance system, with all that would entail in the rearrangement of American military deployments? I think not. What the incidents do require, however, is more informed diplomatic reporting on the sides of public opinion that influence allied governments.

Since April 1952, the ANZUS pact has been the keystone of U.S. defense in the southwest Pacific. Article 4 says: "Each party recognizes that an armed attack in the Pacific area on any of the parties would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes."

At the same moment when, in light of events of the last several days, American leaders were re-evaluating the willingness of the other two signatories to implement this provision, the U.S. 7th Fleet warned interested countries in the area about Soviet work at Cam Ranh Bay, the old American base in Vietnam. After two years of work, the Russians have rebuilt and expanded the base for the use by their Pacific fleet, headquartered in Vladivostok in Siberia.

Warnings such as these are unlikely to alter the large body of anti-nuclear public opinion in both New Zealand and Australia. The Wellington government, with wide popular support, refuses to allow any American Navy vessel carrying nuclear weapons to enter its territorial waters. Australia has refused to assist in the test of the U.S. MX missile.

No immediate damage was inflicted on the American strategic position by these actions. The long-term question is how far the United States could rely on Australia and New Zealand

in the event of a serious situation arising in the ANZUS region, even if conventional weapons were the only ones likely to be used.

Would the two governments, goaded by anti-nuclear forces, reject in a time of peril the help of an American carrier, which, almost inevitably, would carry nuclear weapons of some type? On the record of the last week, it seems likely. This sentiment contrasts with the welcome the two countries gave American troops,

reap a dividend of anti-Americanism. Halfway around the world the twin viruses of anti-nuclearism and pacifism evident "down under" are affecting the North Atlantic Treaty Organization, which must be considered the most important U.S. alliance.

Lord Carrington, who presides over NATO's political organization, recently pointed out one reason why anti-nuclear and pacifist groups flourish in alliance countries. Young and middle-aged Europeans, he not-

millions who are understandably frightened of such warfare.

Such people are, naturally, targets for Soviet propaganda fed through cover organizations like the World Federation of Trade Unions.

Sheer cost also saps NATO support. The economies of NATO Europe cannot now support the increases in defense expenditure to which past governments agreed. To do so inevitably would cut into funds earmarked for welfare and provide the growing anti-NATO, anti-nuclear forces with more ammunition.

Finally, of course, there is the Reagan administration's Strategic Defense Initiative, commonly called "star wars." NATO opposition to SDI rests on three main points: One, it will not work, or, if it does, it will cover the United States and not Europe. U.S. spokesmen have told NATO that SDI will protect Europe from the Soviet SS-20 missiles now aimed at it as much as it will protect America from the SS-19s.

Two, the American investment in SDI will be so huge that it will starve U.S. and allied forces of the conventional weapons needed to meet a Russian invasion of Western Europe. Three, the United States is plunging into the program without taking into account that the Soviet Union is likely to respond by building more land- and sea-based intercontinental ballistic missiles than SDI could shoot down, thus increasing the danger of a Soviet preemptive strike.

Governments in NATO Europe, on the whole, support the alliance. But NATO is made up of democracies where the tide of anti-nuclear and anti-NATO sentiment is rising. General Bernard Rogers, the supreme allied commander in Europe, is extremely concerned with this tide.

He pointed out recently that serious people, and not just fanatics, increasingly think in terms of pacifism, neutralism and accommodation with the East. It is the entrance of such people into the anti-NATO, anti-nuclear group that makes the movement so dangerous to governments dependent on popular support.

Is there a way out? General Rogers thinks that showing aerial photographs from U.S. spy satellites to the European public would do much good. These show Soviet and Warsaw Pact military moves that can only be interpreted as having offensive aims.

The photos conceivably might answer those Europeans who doubt the value of the alliance and those Americans who urge the withdrawal of U.S. forces from Europe. Unfortunately, the Reagan administration believes the use of these photos would give the Soviets information about U.S. spying capacity — information that they already have.

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"If you catch cold, don't blame me."

ships and planes early in 1942, when the Japanese were on the march.

President Ronald Reagan emerged from his talks with Prime Minister Bob Hawke of Australia proclaiming that the ANZUS alliance "is very sound and very solid."

"They simply see the long years of peace," Lord Carrington said, "and then ask whether NATO is really necessary, despite the fact that NATO has guaranteed that peace."

Other elements also contribute to the present erosion of support for NATO in European countries. The most obvious is that the alliance is seen as an instrument for, if need be, nuclear warfare, and that repels the

ed, find it difficult to take the alliance seriously, because they did not experience World War II or the first desperate years of the Cold War that included the Berlin blockade.

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## Why U.S. Aid to Rebels in Nicaragua Must Stop

By Carlos Tunnerman Bernheim

The writer is Nicaragua's ambassador to the United States.

WASHINGTON — President Ronald Reagan's State of the Union address presented an image of Nicaragua that does not correspond to the real situation there.

The Sandinist dictatorship of Nicaragua," Mr. Reagan said, "with full Cuban, Soviet-bloc support, not only persecutes its people, the church, and denies a free press, but arms and provides bases for Communist terrorists attacking neighboring states. Support for freedom fighters is self-defense, and totally consistent with the OAS and UN charters."

There is only one terrorism in Nicaragua: the criminal actions of the "contra" mercenary forces, who every day murder innocent civilians, including mothers and their children. For that reason, the government of Nicaragua has armed its people as a legitimate defense against an aggression that is promoted and supported from outside its national territory.

The assertion that assistance to the mercenaries is a form of self-defense is a complete distortion of this principle as defined in Article 51 of the UN Charter. Any honest application of this article to the problem that exists between Nicaragua and the United

States would establish that Nicaragua is the victim of aggression and not a perpetrator of criminal attacks. The U.S. policy of aggression against Nicaragua violates the charter of both the Organization of American States and the United Nations. Moreover, it profoundly disre-

spects the rule of law, as evidenced in the decision to boycott the World Court in the case brought by Nicaragua against America over the CIA mining of its harbors.

More serious is the Reagan administration's insistence on additional congressional funding for the contra



## Botha Plays for Time Over Namibia

By Jonathan Power

LONDON — President P.W. Botha appears intent on stepping up a pace of reform inside South Africa. His proposals for blacks to own freehold property in white South Africa combined with his decision to allow a British newspaper to interview Nelson Mandela, the imprisoned African National Congress leader, all suggest that moves of some magnitude are under way.

Paradoxically, the decision to liberalize at home means that Mr. Botha is likely to dig his heels further in Namibia (South-West Africa), the adjacent country, which South Africa has ruled under a disputed League of Nations mandate since it forcibly took it off the Germans during World War I.

In Namibia, the war continues between the South Africans and the guerrilla forces of SWAPO, the South-West Africa People's Organization, with SWAPO's base, Angola, and 20,000 Cuban troops resident there, just out of contact. But the small-scale guerrilla war could become a messy conflict with East-West overtones.

It is now six years since South Africa informed the United Nations secretary-general, Kurt Waldheim, that it agreed to the settlement plan proposed by five Western negotiating partners — the United States, Britain, France, West Germany and Canada. It then took two years to get all the antagonists to agree to the details of military disengagement. Finally they did and in November 1980, South Africa said it would agree to start implementing the settlement on March 1, 1981. If United Nations impartiality could be assured.

Many observers thought that the South Africans could have been persuaded on this last point fairly swiftly if the incoming Reagan administration had shown a little muscle. Instead the only noise made was the secretary of state at the time, Alexander M. Haig, observing in his Senate confirmation hearing that America should not "put in jeopardy the interests of those who share our values . . . above all our interests in a strategic sense." South African momentum stopped.

The new U.S. administration began its own southern African diplomacy. Before very long it appeared that there was a new stumbling block for the South Africans — the Cuban troops in Angola. The new U.S. administration raised the Cuban issue, but South Africa would have probably got round to this point without U.S. encouragement.

Rationally, the Cubans are not a reasonable issue. The Cubans only became involved in Angola after South African troops moved into Angola to help Jonas Savimbi's National Union for the Total Independence of Angola (UNITA) in the civil war. The South Africans arrived in June, 1975. The Cubans did not arrive until September. Over time the Angolan government has become dependent on the Cubans to protect itself from UNITA, increasingly bedfed up by South Africa. However, the Cubans play little role in SWAPO's cause.

Nevertheless, the Cuban troops have become a larger-than-life issue. This cuts two ways. On the one hand it seems an infringement of Angolan sovereignty to discuss Angolan internal arrangements that

have nothing to do with Namibia. On the other, if the Angolans agreed to South Africa's demand that the South Africans would find it difficult to raise any more stumbling blocks. South Africa has played the Cuban card so strongly that it is now tied to it. The United States regards this as the one remaining unresolved issue and if the Angolans did ask the Cubans to leave, the United States would lean heavily on South Africa to keep its side of the bargain.

Until now the Angolans and the front-line African countries have shied away from confronting the Cuban issue. The Angolans say if real progress were made on the Namibia negotiations, together with a reduction in the South African threat to themselves, they would agree to a gradual withdrawal of Cuban troops. The Cuban position is identical with Angola's.

South Africa is in no hurry. Militarily it is in a practically unassailable position. If SWAPO and the Angolans are to win at the negotiating table what they cannot win on the battlefield, they must do something that the South African leadership finds palatable to its white electorate. The only sweetener to a deal that would put Namibia in black hands is the immediate removal of Cuban troops from Angola. This fact, anathema to the Angolans, SWAPO and the front-line African states, becomes increasingly inescapable. UNITA will always remain a threat but if the South Africans are out of Namibia that threat will be much reduced. Without such a compromise, there is no chance of Namibia's independence in the foreseeable future.

International Herald Tribune.

## Rethinking Mideast Arms Sales

By Mel Levine

WASHINGTON — The Reagan administration had planned to use this week's visit by King Fahd of Saudi Arabia to put the final touches on an arms deal. Those plans were changed, apparently in reaction to a negative response in Congress.

The administration has decided to postpone any arms-sale decisions pending the results of an assessment of the regional security situation in the Middle East. While that is a wise step for the administration to take, the idea of an arms sale at this time should not even have arisen.

Supporters of arms sales to Arab nations argue that such sales are in the interest of U.S. national security because they further our goals in the region, help induce Arab countries to join the peace process and are an instrument of leverage that the administration can use to moderate and affect Arab foreign policy.

In 1981 the administration, after a heated and protracted debate, sold five Airborne Warning and Control Systems (AWACS) radar planes and other arms to Saudi Arabia. President Ronald Reagan assured Congress that the Saudis would provide "substantial assistance" to the United States in promoting Middle East peace. In addition, the president said, he would cancel the sale if "the Saudis adopt policies which are disruptive to prospects for stability of the region and detrimental to U.S. national interests."

Since then the Saudis have:

- Continued to oppose Camp David, central to U.S. peace policy.
- Continued to finance the Palestine Liberation Organization, whose main aim is the destruction of Israel.
- Continued to boycott Egypt and work to ensure its isolation.
- Threatened King Hussein of Jordan with economic sanctions if he negotiates with Israel.
- Refused to use its leverage with Syria to persuade it to leave Lebanon.
- Continued to subsidize massive Soviet arms purchases for Damascus.
- Tried to offer Oman a deal to induce cancellation of a strategically important base accord with America.

Clearly the sale of the AWACS has failed on all counts to further U.S. goals in the area or to induce Saudi Arabia to join the peace process. It has compromised, not enhanced, our interests in the region. If the past is any indication, there is little reason to think that new arms sales will gain the United States anything new.

Unfortunately, the administration views arms transfers as an indispensable component of its foreign policy. In the absence of a coherent, consistent Middle East policy the administration has increasingly substituted arms sales for diplomacy. Instead of encouraging legitimate parties to negotiate with each other, it has opted for trying to exert its influence by controlling the arms flow. Thus the sale of arms is the Reagan administration's Mideast policy, yet it has not contributed to reaching the elusive goal of peace in the region.

Instead, we should return to the principles that have guided our Middle East policy in the past. To help protect our own national security interests we must again ask how our decisions affect both regional stability and the security of Israel, the only democracy and our strongest and most dependable ally in the region.

Arms sales to Arab nations would exacerbate Israel's severe economic problems, which are created in large part by its heavy defense burden. And if arms sales are made to Arab countries at this crucial time for Israel, it would be forced to continue to divert an even more significant share of its fragile budget to defense.

That undermines our own policy and interests in the Middle East: We profess to be committed to Israel's security, but at the same time we undermine that security with burdensome arms sales to Arab nations.

Before the administration considers further arms sales to Saudi Arabia or to any other country in the Middle East, for that matter — it needs to rethink its approach to the fundamental problems in the region. Fawing off Saudi Arabia has got us no closer to resolving complex and vitally important Mideast questions, nor has it brought peace any closer.

This administration must learn that a weapons sale is not a policy. It must ask in what way U.S. arms sales would help to achieve a solution to the problem in the region. The Saudi arms sale is a bad idea because it substitutes a fragmentary action for an overall policy. Before the United States considers any further sales it must develop a comprehensive policy with clear goals and reasonable, constructive means to achieve them. It has a long way to go.

The writer is a Democratic Congressman from California and a member of the House Foreign Affairs Committee. He contributed this comment to the Los Angeles Times.

## LETTER

### Toward Nuclear Sanity?

To act nuclear weapons would be an act of suicide. No nation could use them without bringing on its own destruction and that of civilization as we know it. This single indisputable fact is reason enough to congratulate New Zealand on its refusal to allow nuclear armed warships to enter its harbors. The action deserves the thanks of us all, as an exemplary, and therefore important, step toward sanity in the affairs of mankind. Let us hope it will encourage other governments, East and West, to display similar conviction and strength of purpose in facing up to the economic and other bullying tactics of superpowers.

IAN SHARPE,  
Graz, Austria.

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## SCIENCE

## IN BRIEF

## Tampons Exonerated in Toxic Shock

DENVER (UPI) — The doctor who discovered toxic shock syndrome said there is no evidence the disease was caused by tampons, as earlier assumed in a number of lawsuits against the company that manufactured them.

Toxic shock syndrome is caused by poisons produced by the staphylococcus aureus bacteria, which enter the bloodstream and result in a fever, diarrhea, a rash, red eyes and peeling fingertips. It is fatal in one case out of 100.

Dr. James K. Todd, director of the infectious disease section of Children's Hospital, said Tuesday that while toxic shock continues to strike menstruating women, "it is clear that it was not a tampon disease. It is the infection that is critical. It appears that the organism, under the condition of menstruation, and perhaps under the confines of a tampon or anything else, could be important. We haven't worked out the details."

In 1980, however, the syndrome was linked by some researchers to Rely super absorbent tampons, manufactured by the Procter & Gamble Co., which were taken off the market. The company settled out of court with several hundred women who sued after developing toxic shock syndrome while using Rely tampons.

## TV in 3-D Without Special Glasses

TOKYO (AP) — A television system that appears as three-dimensional without the use of special glasses has been developed by a major electronics manufacturer.

Matsumita Electric Industrial said the 14-inch (36-centimeter) screen produces three-dimensional vision by synthesizing pictures recorded at different angles by five separate cameras. The footage is then projected through special lenses to provide a 3-D effect.

At present the small screen can accommodate only two viewers, and it will be several years before the company expects to perfect the system, a spokesman said.

## Physical Activity Reduces Bone Loss

CHAPEL HILL, North Carolina (UPI) — Physical activity can significantly reduce the loss of bone that commonly afflicts women as they age, a newly published study has shown.

In the study, conducted among more than 300 women aged 18 to 75 by researchers at the University of North Carolina at Chapel Hill, athletic women of all ages had denser bones than those who were inactive. Bone density in active women aged 55 to 75 was 15 to 20 percent greater in the forearm and 12 percent greater in the spine than in sedentary women of the same age.

Since fewer than 20 percent of the postmenopausal active women took estrogen supplements, a treatment that is known to slow bone loss, the researchers said that hormone treatment could not account for the differences they observed.

The study revealed the special value of exercise that involves gravitational stress. Thus, walking, cycling and tennis were more likely to result in denser bones than swimming. The researchers noted, however, that swimming had other benefits.

## Tests Developed to Detect Dementia

NEW YORK (UPI) — Three easily administered tests for memory, orientation and learning have been developed to distinguish mental decline due to disease from age-related changes in older people.

In addition to detecting people with Alzheimer's disease, Paul J. Eslinger of the University of Iowa said, the tests will be used to help find people who have treatable dementia.

Because an estimated 20 to 40 percent of all dementias are reversible with treatment, it is important to determine disease-related versus normal changes in brain function, Dr. Eslinger said.

## 'Miracle Plant' Provides Food, Fuel

PEORIA, Illinois (UPI) — Leucaena is a "miracle" plant that thrives in drought, provides fuel, fodder, and both nitrogen enrichment and erosion protection for depleted tropical soils, and though it contains a derivative toxic to some cattle, the substance can be rendered harmless by readily available bacteria.

The U.S. Department of Agriculture's Animal Disease Center in Peoria, Illinois, reported that when the leaves were fed to Australian cattle, the animals lost hair and developed goiter and cancer of the esophagus. The necessary bacteria have now been transplanted from Hawaiian goats, enabling Australian cattle to digest the plant.

Leucaena has been tested in South America, Africa, Southeast Asia and the South Pacific islands. Some varieties of the plant grow 50 feet tall in six years, providing a rich source of firewood in regions where fuel is scarce.

## Excess Water Held Risky in Epilepsy

PALO ALTO, California (UPI) — As an item of diet, water is vital and has no calories. But a physician at Stanford University reports that too much water intake can be dangerous to people who have epilepsy.

A weight-loss organization that boasts more than 650 centers has published a booklet advocating the drinking of eight to 12 eight-ounce (about a quarter of a liter) glasses of water a day, according to Dr. James C. White of Stanford University's School of Medicine.

He said that in a recent five-month period he has seen three patients with previously well-controlled epilepsy who had grand mal seizures. All three were following the diet. Excessive water intake is one of the oldest mechanisms known to induce seizures, Dr. White said.

## Silkworms Join War Against Cancer

TOKYO (Reuters) — Japanese scientists are working on getting the silkworm to produce the protein interferon, a prime candidate for a cancer cure.

Daiichi Seiyaku, a Japanese drug company, has introduced a new biotechnology method using silkworms to produce alpha-interferon apparently identical to that in humans. Alpha-interferon is one of several forms of the protein which is produced naturally in human cells as a defense mechanism against infection.

The Japanese process relies on a virus that commonly attacks the silkworm and infects its cells. Dr. Mitsuru Furusawa of Daiichi Seiyaku said. Once in a cell, the virus naturally produces large amounts of protein within the silkworm. "It's still basic research," Dr. Furusawa said, "but by isolating the part of the virus gene that controls the protein production and replacing it with the human gene that makes interferon, interferon may be produced instead."

## Scientists Work on Horse Fever Test

WASHINGTON (AP) — Potomac horse fever, a disease responsible for the deaths of many valuable horses in the eastern United States, is showing up in other areas of the country even as scientists who recently isolated the suspected cause work to develop a test for early diagnosis of the malady.

Researchers at the University of Illinois at Champaign-Urbana isolated a blood-borne parasitic organism that is believed to be transmitted to horses by ticks. The organism is a rickettsia, a type of germ that evolutionarily is placed between viruses and bacteria, which resides inside cells.

The horse fever rickettsia inhabits and kills white blood cells called monocytes, which are part of the animal's defense system against infection, the researchers reported.

## Scientists in Peru Reconstruct The Murder of Pizarro in 1541

By William D. Montalbano

Los Angeles Times Service

LIMA — The pugnacious life and bloody death of Francisco Pizarro are well documented. The mystery did not begin until after his assassination, but it endured for four centuries.

Now, scientific detectives say they have finally solved The Case of the Conquistador's Bones.

Unmasking an impostor mummy along the way, the investigators say they have positively identified Pizarro's remains, enabling them to reconstruct a 444-year-old murder in startling detail.

To culminate the scientific adventure, Pizarro's bones finally were laid to rest here in January in a funeral rite the old conquistador himself had prescribed in his 1537 will.

Francisco Pizarro entered the pages of history as an illiterate swordsman and left them a century later as conqueror of the Inca empire, founder of the city of Lima and viceroy of Peru.

Pizarro was 5 feet 9 inches (1.75 meters) tall, wiry, scarred, jawed, heavily muscled and 63 years old when he died with a sword in his hand on Sunday, June 26, 1541, the victim of Hispanic America's first recorded coup d'état.

"Pizarro lived to death," said pathologist Uriel Garcia. "The fatal blow was a sword thrust, which clipped his right jaw, probably cut the jugular vein and the carotid artery and severed his spine. He was likely paralyzed when death came."

Garcia and his Peruvian colleagues had a lot of help piecing together the Pizarro puzzle. Archaeologists, anthropologists, pathologists, radiologists, chemists, historians and other volunteer detectives from institutions as diverse as hospitals, art museums and universities all contributed to solving the mystery.

"Once the Pizarro bug bit, it became a passion for a lot of excited people," said Hugo Ludena, an archaeologist-historian who directed the quest for Pizarro as head of a Peruvian government agency that safeguards historic treasures.

The story has two beginnings, 436 years apart.

After Mass on June 26, 1541, Pizarro and some friends lunched at his house on the Plaza de Armas of the city he had founded six years before after capturing and executing Atahualpa, the Inca emperor. The site of Pizarro's house is now Peru's presidential palace, across the plaza from the magnificent cathedral where Pizarro rests in a marble chapel.

Brandishing battle-axes, swords,



Francisco Pizarro

lances and crossbows, about a dozen assassins led by Diego de Almagro, whose father Pizarro had executed as a conspirator the year before, burst into the house as Pizarro was finishing lunch.

There was a desperate fight. In the course of it, his skeleton suggests, Pizarro was wounded on the thumb of his sword hand and lost a piece of his right elbow, apparently warding off the blow of an ax. A sword thrust to the throat finally killed him, as a procession of witnesses would later testify to Spanish courts trying his assassins.

Fearing that his killers would sever Pizarro's head and impale it on a post in the plaza (as Pizarro regularly did to his enemies), Almagro spirited his body away. They dressed Pizarro in a white habit with a distinctive red cross of the Military Order of the Knights

of St. James and buried it that same afternoon behind the church.

After his supporters staged a counterrevolution, Pizarro's body was exhumed on Jan. 21, 1544 and re-interred with honor under the main altar of the church. The body stayed there in a wooden coffin for about 83 years, according to a chronology assembled by Ludena.

Pizarro's remains were shifted around repeatedly afterward as the church was expanded into one of the New World's most beautiful cathedrals but fell victim to such verminous as earthquakes.

In 1661 came a watershed exhumation, according to an old cathedral document. Pizarro's skull was placed inside a lead box. His skeleton went into a wooden box wrapped in velvet.

The document attesting to that transfer did not turn up until 1933, and by then the cathedral had another Pizarro on display, a well-preserved mummy in a glass-sided sarcophagus.

For nearly a century, the mummy held unending fascination for foreigners and Peruvians alike. No tour of Peru was complete without a glimpse of what the guides called "Pizarro's authentic skeleton" remains in a glass coffin.

Some people suspected that the mummy, which had been carefully salted in a half-successful attempt at preservation, was not Pizarro. But in the absence of any evidence to back up the 1661 document, nobody could prove the mummy was a fraud. In 1945, in fact, a Peruvian doctor won the national prize for



John Everett Millais's painting, "Pizarro Seizing the Inca of Peru" (1846).

medicine for demonstrating scientifically that the mummy was Pizarro.

When the Lima City Council decided to honor Pizarro on the 350th anniversary of his death in 1891, it gave the mummy for public display.

The impostor would be there still, except for four workmen whose caprice on June 18, 1977, opened the modern Pizarro saga.

"They were sent into the cathedral crypt to do some remodeling," Ludena recalled. "Just fooling around, they opened up an adjoining wall that they weren't supposed to touch."

Beyond the wall lay a niche and a lead box with a rough inscription on the lid saying that it contained

the skull of Francisco Pizarro. Next to the lead box lay a wooden crate of bones wrapped in velvet.

Too many bones, alas — almost four complete skeletons. With the aid of American researchers, the Peruvians eventually sorted them out: one man, one very old woman and two young children.

Investigators think the children may have been Pizarro's. The woman may have been a niece of the conquistador who died around 1590. They are sure the man is Pizarro himself.

"The skull was the key piece. It 'locked on' to the male skeleton exactly right," said Garcia. "The physical evidence entirely supports the historical record. You can not only see, but almost feel, the fatal

sword thrust. There's no doubt. We have Francisco Pizarro."

There was a lot of corroboration to do, though, and no money to do it with. It took seven years for Ludena to assemble an international covey of scientific volunteers to corroborate the findings.

In their investigations, they determined that the bones were from the right century, and the man was Pizarro's age when he died. They detected traces of lead on the skull, suggesting it had indeed been long in the box. X-rays that highlighted the fatal thrust and more than a dozen other wounds were the clincher.

The University of Florida even reconstructed Pizarro's face with techniques used to help identify modern accident victims.

When the truth was discovered, "there was some local hostility at first. People liked their mummy," said Ludena. "But I knew we would win. After the lead box was found, priests on their rounds of the cathedral with incense stopped blessing the mummy."

In January, the Lima City Council bowed to science and ordered the bones of the real Pizarro moved to his public crypt in the cathedral here as the conquistador had dictated in his will. He was placed there Jan. 10.

With the mystery concluded to everyone's satisfaction, there remains the masquerading mummy. Who is he?

"Since the mummy is not Pizarro, the church is a bit reticent about letting us open him up," Garcia said. "Superficial examination suggests that he died of natural causes in his 50s — maybe as much as a century after Pizarro. I bet he was just some bureaucrat."

## 'Lost City' of Andes Is Old Stuff in Tourist Guidebooks

By Boyce Rensberger

Washington Post Service

THE expedition to a "lost city" in the Peruvian Andes that University of Colorado archaeologists recently announced with great fanfare involved well-known ruins that are even described in tourist guidebooks as a place to visit.

At a Jan. 31 news conference, the Colorado archaeologists described the site as a "lost city" and issued a news release headlined "Pre-Inca Find May Rival Machu Picchu," the renowned mountain-top ruins of an Inca city in southern Peru.

"The site," Thomas Lennon, a leader of the expedition, said, "has been the subject of rumors and unsuccessful expeditions since the beginning of this century, if not from the time of the Spanish conquest" in the 16th century.

Lennon's announcement, reported in the IHT Feb. 23, did not claim the discovery of the site — he

gave credit to "a Peruvian expedition" in the 1960s. But the announcement suggested that the site had faded into obscurity after that expedition completed a brief visit.

In fact, it has been the subject of dozens of books, magazine and newspaper articles, and even a 1970 CBS News documentary on Andean archaeology. Many of the reports were by Douglas Eugene (Gene) Savoy, an American explorer who discovered the site in a 1964-65 expedition and named the cluster of 18 buildings Gran Pajaten.

"I don't understand why they made such a big deal out of this," Betty Meggers, a specialist in South American archaeology at the Smithsonian Institution, said. "The

Peruvian highlands are filled with ruins."

Savoy, who said he found 39 other ruined cities in the Gran Pajaten region, believes that all were part of a civilization, the Chachapoyas, conquered by the Incas.

"I don't deny anything Gene Savoy says," Lennon said, "but I do take exception to the idea that there's nothing left to do at Gran Pajaten because he did it all. Gene discovered the site. What we want to do is study it in a lot more scientific detail than has been done so far." He said there had been no exaggeration or intent to deceive in his announcement about the site.

Another issue on which deeper study of the site may shed light is the demise of the Inca empire, which Lennon believes conquered the people of Gran Pajaten.

Although, officially, the Spaniards conquered the Incas, archaeologists have suspected that the empire was in decline and disarray before the conquistadors arrived.

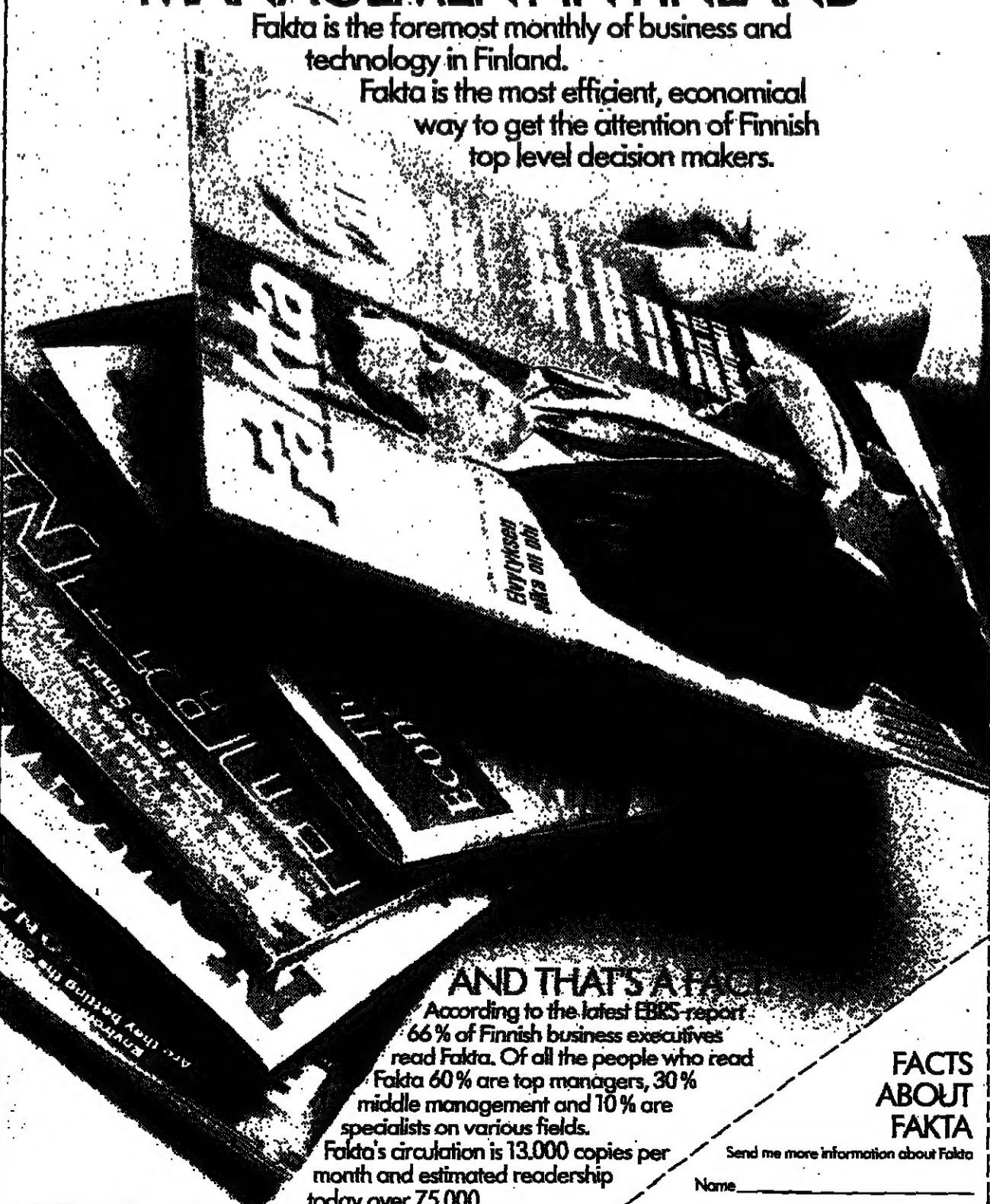
How else, they ask, could Francisco Pizarro and a few hundred soldiers have destroyed a once militarily strong empire of 6 million people?

Various factors have been suggested. Shortly before the Spaniards' arrival the Incas suffered a devastating civil war, and there is evidence that epidemics of smallpox, introduced by the Spaniards on a previous visit to Peru, had swept into the Inca highlands ahead of the conquistadors. Human remains, which Lennon believes are inside sealed tombs at Gran Pajaten, may show evidence of smallpox.

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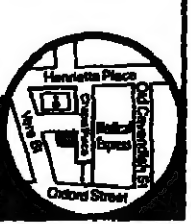
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4314	8314	CHWstr	7.4%	30.8	300	100%	100%	100%

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- stock split. Dividend based with date of split.
- dividend paid in stock in preceding 12 months, estimated
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- new yearly high.
- trading halted.
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- when issued.
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**Israel Hikes Departure Tax**  
Reuters  
JERUSALEM — A parliament committee Wednesday approved a government request to raise the tax that Israelis pay to leave the country to \$150 dollars from \$100 dollars, committee officials said. The new rate takes effect immediately. Another government proposal to raise the tax to \$200 dollars is being considered.

**Tourist Areas**

China is trebling the number of cities and rural areas to which foreigners can visit without a police permit and a special visa, the Foreign Ministry said Wednesday.

[illegible]

## Herald Tribune

**Reuters**  
**TEL AVIV** — A coalition

JERUSALEM — A parliament-  
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issued a memorandum request

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## China Trebles Tourist Arrivals

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20/11/85

BUSINESS ROUNDOUP

Atlas Copco's Earnings Rose 144% Last Year

By Juris Kaza  
International Herald Tribune

STOCKHOLM — Atlas Copco AB, the Swedish air-compressor, mining and tool group, reported Wednesday that its 1984 pretax earnings amounted to 573 million kronor (\$62.1 million) in 1984, a 144-percent increase over the 1983 figure of 235 million kronor.

In a preliminary report, Atlas Copco's management said it was proposing raising the 1984 dividend to 4.50 kronor from 3 kronor in 1983. Last year, the company cut its dividend from 6 kronor in 1982.

Atlas Copco's 1984 sales rose 12 percent to 9.1 billion kronor, from 8.093 billion kronor in 1983. Sales outside Sweden accounted for 92 percent of the total.

Looking to 1985, the company said it expected a continuing improvement in sales. Jan. Jacobson, an analyst at E.B. Savory Milin in London, said 1984 results meant that his forecast of 1985 earnings of 750 million kronor was "conservative."

Atlas Copco's president, Tom Wachtmeister, said he expected an increase in order volume from European customers in 1985. The volume of orders was virtually unchanged in 1984.

European accounts for about 50 percent of Atlas Copco's total business.

Mr. Wachtmeister also noted weak growth in the volume of orders in Australia, South Africa and Canada, three major markets for mining equipment. "There will be volume growth there in 1985 and a return to an acceptable profit level," he said.

Mr. Wachtmeister said that some of the strongest order growth was in North America, where the United States is Atlas Copco's largest market, and in Asia. North American orders totaled 1.313 billion kronor, and were up 25 percent in volume terms. Asian orders amounted to 882 million kronor, up 30 percent.

The rise in Asia largely reflected 200 million kronor in order bookings from China. Mr. Wachtmeister said, adding that they would be recorded as sales and would bring profits in 1985 and afterward. The orders from China also represented an important breakthrough in that market, he said.

Porsche Reports Profit Rose By 32.7% in Fiscal 1984

By Warren Getler  
International Herald Tribune

FRANKFURT — Porsche AG, the West German automaker that sells nearly half its sleek sports cars in the United States, said its net income rose 32.7 percent in the 1984 fiscal year, ended July 31, to 92.4 million Deutsche marks (\$28 million) from 69.6 million DM in the year-earlier period.

Sales in the first five months of fiscal 1985 grew 8.4 percent to 1.1 billion DM, indicating that Porsche could well top the previous year's earnings, said Heinz Brannitz, finance chief, from company headquarters in Stuttgart.

According to commonly used West German accounting methods, the earnings per share rose to 110 DM from 90 DM.

News of Porsche's strong increase in earnings and its healthy prospects for the current year pushed Porsche's shares up 45 DM on the Frankfurt stock exchange Wednesday to 1,160 DM.

A company spokesman said Porsche has been relatively unaffected by domestic consumer uncertainty over new emission-control regulations. He said Porsche has about 10 years of experience in

equipping its models with catalytic converters for sale in the United States and Japan and thus has had no trouble in quickly outfitting all its models for sale in the domestic market with the pollution-control devices.

The spokesman said Porsche's main problem is delivery delays for some models of up to a year or more. He said that to meet heavy demand, particularly from the U.S. market, Porsche will be investing nearly 100 million DM toward the construction of new paint shops and the extension of other assembly plants. Total investment, he said, will be more than 300 million DM this year, up from 255 million DM last year.

Porsche expects to sell at least 50,000 cars this year, exceeding 3 billion DM, after posting sales of 2.49 billion DM on 44,800 cars, the spokesman said. The company had hoped to produce and market 48,000 cars in the last fiscal year but was kept from that goal by the seven-week metalworkers strike in May and June.

Six hundred new workers are expected to be hired this year, after the creation of 600 new positions last year, the spokesman said.

Continental Told To Stop Buying Air Micronesia

United Press International

HOUSTON — A U.S. bankruptcy judge has ordered Continental Airlines to stop buying stock in Air Micronesia and has halted litigation between the carriers in court in Saipan.

Attorneys for both airlines said Tuesday that the action by U.S. Bankruptcy Judge Glover Roberts signaled that he wanted the parties to negotiate an out-of-court settlement.

Judge Roberts last year gave Continental the go-ahead for a \$2.5-million plan to buy shares of United Micronesia Development Association, which owns 60 percent of Air Micronesia. Continental owns 30 percent of the carrier, which has services from Hawaii to Guam, Manila, Saipan and Tokyo.

A group of UMDA shareholders fought Continental's takeover attempt by filing a class-action suit in Saipan. Saipan is part of the Mariana Islands, which is administered by the United States.

Hong Kong's Excelsior Hotel No Longer for Sale

By Dinah Lee  
International Herald Tribune

HONG KONG — Hongkong Land Co. has withdrawn one of the group's major assets, the Excelsior Hotel, from the property market because offers did not meet the company's criteria for sale.

David Davies, Land's managing director and chairman of the group's hotels subsidiary, had said that Hongkong Land was aiming for a sale price of about 800 million Hong Kong dollars (\$100 million) for the 951-room hotel, when the Excelsior was first offered last October.

He said Wednesday that after Hongkong Land's sale Jan. 22 of its controlling stake in the leading local utility company, Hongkong Electric Holdings Ltd., to the rival property and trading group Hutchison Whampoa Ltd. for 2.9 billion dollars, the "disposal criteria for the Excelsior had sharpened."

Sources said that the cash relief provided by the sale of Hongkong Electric pushed the desired price closer to 900 million to 1 billion dollars.

A second spokesman for Land said Wednesday, "The sale of Electric reduced our group borrowing requirement by some 20 percent."

Whereas it was previously estimated to peak between this year and 1987 at somewhere around 16 billion dollars, we contained that at the end of last year at 14.7 billion. Now our borrowing requirement stands at around 11.8 billion. In short, the sale of Electric enabled us to not sell the Excelsior. Suddenly we were not a forced seller of anything."

The failure to find a buyer at the desired price is not a reflection of the local property market, because the hotel sector is booming," he added. "In fact, the Excelsior is a cash cow generating operating cash flow net of tax of 75 million dollars this year."

Michael Hollington, a partner at Richard Ellis International Property Consultants & Valuers, commented on the decision to withdraw the Excelsior from the market: "We've just carried out a study on hotels in Hong Kong. We estimated that the average take-up in 1984 was just under 85 percent and that in 1985, this will increase to 89 percent. If these figures are correct, it is going to place upward pressure on hotel room rates, and thus it would seem prudent to hold on to a hotel investment."

The Excelsior had an occupancy rate of about 90 percent in 1984. As the largest property company

in the British colony, Hongkong Land has dominated Hong Kong's property news for the past two years as it disposed of assets worth more than 6 billion dollars to meet debts incurred during Hong Kong's property boom in the late 1970s and early 1980s.

The company has also undergone considerable restructuring since Mr. Davies' arrival in late 1983. He has broken the group into

GM Plans Offering Of Its Class E Shares

Reuters

NEW YORK — General Motors Corp. said it plans a public offering of about three million shares of its Class E common stock.

About 13.6 million shares of Class E were issued in 1984 as part of GM's acquisition of Electronic Data Systems Corp.

separate subsidiaries related to hotel, property and food-retailing-and-processing operations. The new hotel subsidiary announced Feb. 6 that it had changed its name from Mandarin International Hotel Group, combining the names of the company's two flagship hotels, the Mandarin in Hong Kong and the Oriental in Bangkok.

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BIS Issues Loan Study

(Continued from Page 9)

increased further to \$98.6 billion. The gain was concentrated in developed countries outside the BIS reporting area, such as Australia, Norway, Portugal and Spain, and the non-oil producing countries of Asia.

In the developed countries that are not monitored by the BIS, the gain in undrawn commitments was \$3.4 billion to \$33.3 billion. In the Asian non-oil countries, it was up \$2 billion to \$20.2 billion.

Undrawn commitments fell \$3.8 billion to \$13.1 billion in Latin America and by \$1.3 billion to \$5.6 billion in Eastern Europe.

Turning to developments in individual countries, the report notes that there was a drop of \$1.3 billion in loans to Poland. It says this was due in part to translating the figures (substantial Deutsche mark loans) into dollars, "but probably also by banks' debt write-offs and transfers of claims to export credit guarantee agencies."

It also notes substantial increases in short-term debt in Australia, Finland, Norway, South Africa and China.

Wave of the Future: Bull or Bear?

(Continued from Page 9)

commended are Smith International, Gearheart Industries, Baker International and Hughes Tool.

Drexel Burnham Lambert is also advising investors to concentrate on "relative laggards" in its roster of so-called Acorn stocks, smaller issues that have enjoyed a sharp rise this year already. Cited are Optical Coating Laboratory, Kinder-Care Learning Centers, Sensoromatic Electronics, Knoll International, Materials Research and Safeguard Business Systems.

Butcher & Singer, whose advice to investors is "if you've been sitting on the sidelines waiting for the market's mood to change, jump in," offers these new recommendations: Ametek, GTE, Harvey Hubbell, QMS, Singer, Snyder Oil Partners and United Jersey Banks.

Value Line also declares, "This is a time to be fully invested in stocks," adding, "the chief risk now is being out of the stock market." Its newest recommendation is Manor Care.

John Westergaard, president of Equity Research Associates and manager of his own Westergaard Fund, is high on several Israeli

companies whose shares are traded on Wall Street.

"The thesis is that Israel, being a military society, is by necessity a technological society and that out of this technological society will emerge over the next decade a number of multinational high-tech companies," he said.

Mr. Westergaard, who recently visited the country, commented that Israeli stocks today remind him of Japanese stocks in the early 1960s.

Eastman Kodak Co.'s Kodak Canada Inc. unit has agreed to become an official sponsor of the 1988 Winter Olympics in Calgary, Alberta, Kodak announced.

Emperor Mines Ltd. of Australia said it plans to increase ore capacity next year at the Vatukoula gold mine in Fiji to 500,000 metric tons (550,000 short tons) a year from 350,000 metric tons.

Infocode Inc. has formed a British subsidiary, Infocode UK Ltd. to market and distribute computer security products in Europe, the company announced. The company also said that it has moved to larger quarters in New York.

Companies combine research and development projects with universities, giving the "feel of Boston Route 128," he said. And "driving from Tel Aviv to Haifa with the ocean on the left and the agricultural and burgeoning industrial parks along the way one could just as easily be on the road from Monterey to Palo Alto" in California's Silicon Valley.

Electronics Corp. of Israel is his favorite stock, followed by Elron Electronics Industries, Laser Industries, Optrotech and Scitex.

May Department Stores Co. of St. Louis said it has agreed in principle to acquire Metropolitan Life Insurance Co.'s 50-percent interest in Parklambra Associates, a real estate partnership of May and Metropolitan. May said it will pay \$10 million in cash and will issue to Metropolitan \$100 million in a new voting preferred stock.

Midway Airlines Inc. announced that it will suspend nonstop service Friday between Detroit and Washington and between Chicago and White Plains, New York. It also will end service to Newark, New Jersey, Topeka, Kansas, and Milwaukee, Wisconsin.

Phillips Petroleum Co. has announced that C.J. Silas, its president and chief operating officer, will become chairman and chief executive after the annual meeting on April 30. Mr. Silas will succeed William C. Douce, who will retire.

Source Perrier SA will launch lemon, lime and orange drinks on April 15, in an effort to double U.S. revenue, sources said at the company headquarters near Nîmes, France.

Texasco Inc. said its Texaco Petroleum Co. subsidiary has reached an agreement with Corporación Estatal Petrolera Ecuatoriana, the Ecuadorian state oil company, to continue as operator of a joint exploration venture in the Ecuadorian Amazon basin.

Ward White Group PLC said it is offering five new shares for every six shares of Foster Brothers Clothing PLC, in a bid that values Foster at \$93.7 million (\$102.1 million).

Western Airlines expects to report an operating profit in the first quarter, company officials said in asking the Securities and Exchange Commission to authorize an issue of \$30 million in notes. They did not estimate an amount. Western recorded an operating loss of \$12.9 million in the first quarter of 1984.

Westland PLC said the British government has placed a £30-million (\$32.7-million) order for nine Westland Sea King helicopters for the British Royal Navy, for delivery in 1986 and 1987.

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Persons entitled to delivery of any of the Notes are accordingly advised to obtain from the specified office of any of the Paying Agents, the office of Cedel S.A. in Luxembourg or the office of Morgan Guaranty Trust Company of New York

as operator of the Euro-clear System ("Euro-clear") in Brussels, the form(s) of the relevant certificate(s) to be completed stating that such Notes are beneficially owned by persons (a) who are not U.S. persons (as defined in the Trust Deed) or (b) who are U.S. bank branches (as defined in the Trust Deed) or sophisticated institutional investors in the United States. Completed certificates should be delivered to the office of Cedel S.A. in Luxembourg, or to the office of Euro-clear in Brussels for forwarding to Cedel S.A., within the 15 days prior to, on or after the Exchange Date. Definitive Notes with Coupons will be available on and after the Exchange Date in exchange for such certificates.

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**NASDAQ National Market Prices**

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14-00000



## U.S. Reports Fewer Visitors From Abroad

By Lee A. Daniels  
New York Times Service

**NEW YORK** — The strong dollar, which is fueling an explosive growth in foreign travel by Americans, helped cause the number of foreign visitors to the United States to decline in 1984 for the third consecutive year, according to federal tourism officials.

The drop last year amounted to 4 percent, or about 900,000 tourists. It further widened the difference between money spent abroad by Americans and money spent in this country by foreign tourists.

Because American travel to Europe increased last year, the tourist dollar gap is expected to show a significant increase, when the figures are in. The deficit was \$3.4 billion in 1983, up from \$3.4 billion in 1982.

Yet, while the United States Travel and Tourism Administration this week was trying to enlist the private sector, states and local governments in a campaign to lure more tourists to America, the Office of Management and Budget was proposing that the agency be dismantled. The agency's current budget is \$12 million.

Administrations have tried to eliminate the office since it was created in 1961. But Congress, mindful of tourism's importance to many states and cities, has always supported the agency and is expected to do so again this year.

Senator Daniel K. Inouye, a Democrat of Hawaii, a state that depends heavily on tourism, said: "Many of us can't understand why it's so difficult for the administration to read numbers. Tourism is one of the top three money-makers for 40 states, and if it weren't for tourism, our trade imbalance would be much worse."

The United States trade deficit reached \$123 billion last year, nearly double the figure for 1983.

## Tramiel: New Face, New Style of Atari

(Continued from Page 9)

many in the industry are rooting for him to put the magic back in mass-market computers, the way he did with the Commodore 64. They say if anybody can do it, Jack Tramiel can.

"A lot of people would love it if a Messiah came along and saved the industry," said Trip Hawkins, president of Electronic Arts, a software company in San Mateo, California. But Mr. Tramiel and Atari have a long way to go. They must actually bring the new computers to market, with adequate software, in record time. They must raise a large amount of money and subsidize until then on sales of the 800 computer, which have fallen since Christmas, prompting Atari to cut the price, once again, last week to \$99.

They must overcome a blizzard of lawsuits caused by cancellations of contracts and dismissals of personnel. They must compete not only with a dazzling new computer being developed by Commodore's Amiga subsidiary but also with the giants in personal computers, IBM and Apple, which both sell products in the price range of Mr. Tramiel's top-of-the-line new machine.

Mr. Tramiel, for his part, must overcome a darker side of his success: His reputation for sudden changes in tactics, for which he is known as Commodore, have made some retailers and software companies reluctant to trust him. He is still remembered for announcing with great fanfare new Commodore products that never made their way to market and for changing distribution channels abruptly. He has not helped his credibility this time around by publicly stating that Atari will ship five million computers in 1985, a number that even his son, Sam, said will be hard to reach.

Right now, the industry seems split 50-50 on whether he will succeed. "We believe they're for real," said Norman Ricken, president of Toys R Us, a leading vendor of home computers.

They will easily break all records for getting a product to market if they do all they say they

going to do," said Mr. Hawkins, a doubter.

More than Mr. Tramiel's personal fortune rests on the fate of Atari. He is carrying into battle with him the remains of the home-computer industry. For two years or so the business of providing games and educational software for home computers thrived. But now, with consumers disillusioned by the machines' limited capabilities, sales have plummeted.

Warner Communications, which came into the business in the late 1970s, was so hurt by the downturn that it virtually gave Atari away to Mr. Tramiel last summer, trying to rid itself of the problems before they affected the parent company's results too severely.

In 1984, with a handful of exceptions, all the companies that made game and educational software for those machines lost money and some have gone out of business. Retailers are going back to selling television and video-cassette recorders.

The changing market might be too much even for Mr. Tramiel to contend with. Consumers are moving toward more expensive and more powerful machines selling for \$1,000 or so, the domain of IBM and Apple — a price range that Atari plans to undercut with its new machines while offering similar power. But larger companies have far greater resources than Atari and machines that have tons of software available to them.

The doubters do not alarm Mr. Tramiel. "I'm used to that kind of talk," he said, noting that Wall Street always doubted him when he was with the "old company."

He also said that revenge is not a motive for his returning to the computer business. Rather, he said, he just grew restless after his resignation from Commodore. After a tour

around the world, he decided it was time to get back to work.

In early July, after an all-night negotiating session with Warner, Mr. Tramiel agreed to buy Atari for \$240 million in promissory notes. He hopped on a plane and arrived at Atari headquarters in California the same morning, a Monday. By Wednesday, virtually the entire marketing and sales staffs, several hundred in all, were gone.

"When you have a cancer, you cut it out," Mr. Tramiel said. "The key to running a company is not marketing. It's how you design and buy. If you buy right, you can always sell it. If you buy wrong, even with a whole army you will not be able to sell it."

Only a shell of the "army" remains today. The American staff numbers 250, down from 1,300 employees when Mr. Tramiel arrived, and many of the survivors are engineers, just as in the old days before the marketers gained predominance.

Staffing now is so skimpy that the company's main telephone number is often answered by a recording indicating that the receptionist is busy. The cuts mean that Atari, which once occupied more than 40 buildings around Silicon Valley, now occupies five.

The new Atari is Spartan, with none of the swimming pools, beer bashes or other amenities that are considered part of Silicon Valley's corporate culture.

Although an occasional reminder of Atari's illustrious past creeps in — the new ST computers will come with Breakout, a classic Atari video game, built into the operating system — there is now little to suggest any link with the old Atari. Started by Nolan Bushnell, it created the video game fad in the 1970s.

## Company Earnings

Revenue and profits, in millions, are in local currencies unless otherwise indicated

Britain		West Germany		Bally Mfg.	
1st Qtr.	1984	1984	1984	1984	1984
Revenue	100.0	100.0	100.0	100.0	100.0
Profit	10.0	10.0	10.0	10.0	10.0
Per Share	1.00	1.00	1.00	1.00	1.00

Canada		United States		Goodyear Tire	
1st Qtr.	1984	1984	1984	1984	1984
Revenue	100.0	100.0	100.0	100.0	100.0
Profit	10.0	10.0	10.0	10.0	10.0
Per Share	1.00	1.00	1.00	1.00	1.00

## Over-the-Counter

NASDAQ National Market Prices

(Continued from Page 12)

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## Floating Rate Notes

Feb. 13

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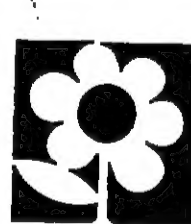
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New Issue



**Chujitsuya Co., Ltd.**  
Tokyo, Japan

**DM 70,000,000**  
4% Bearer Bonds of 1985/1990  
with Warrants  
to subscribe for shares of common stock of  
Chujitsuya Co., Ltd.

The Bonds are unconditionally and irrevocably guaranteed by  
**The Fuji Bank, Limited**  
Tokyo, Japan.

**Bayerische Vereinsbank** **Nomura International Limited**  
Aktiengesellschaft

**Al-Mal Group** **Bank of Yokohama (Europe) S.A.** **Banque Indosuez**  
**Creditanstalt-Bankverein** **Dresdner Bank** **Fuji International Finance**  
**Goldman Sachs International Corp.** **Merrill Lynch Capital Markets**  
**J. Henry Schroder Wagg & Co.** **Vereins- und Westbank**  
**S.G. Warburg & Co. Ltd.** **Westdeutsche Landesbank**  
**Wirtschafts- und Privatbank** **Girozentrale**  
**Yamaichi International (Europe)**  
Limited

Weekly net asset value

**Tokyo Pacific Holdings N.V.**  
on February 11, 1985: U.S. \$132.74.

Listed on the Amsterdam Stock Exchange

Information: Pierson, Heikling & Pierson N.V.  
Herengracht 214, 1016 BS Amsterdam.

Gold Options (prices in \$/oz.)

Time	Feb.	Mar.	Apr.
20	107.50	108.50	109.50
30	107.50	108.50	109.50
40	107.50	108.50	109.50
50	107.50	108.50	109.50
60	107.50	108.50	109.50
70	107.50	108.50	109.50
80	107.50	108.50	109.50
90	107.50	108.50	109.50
100	107.50	108.50	109.50
110	107.50	108.50	109.50
120	107.50	108.50	109.50
130	107.50	108.50	109.50
140	107.50	108.50	109.50
150	107.50	108.50	109.50
160	107.50	108.50	109.50
170	107.50	108.50	109.50
180	107.50	108.50	109.50
190	107.50	108.50	109.50
200	107.50	108.50	109.50
210	107.50	108.50	109.50
220	107.50	108.50	109.50
230	107.50	108.50	109.50
240	107.50	108.50	109.50

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